



**CITY COUNCIL REGULAR SESSION AGENDA**  
**Monday, April 18, 2016 - 6:00 PM**

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The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Peggy Hawker, City Recorder at 541.574.0613.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

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**1. CALL TO ORDER AND ROLL CALL**

**2. PLEDGE OF ALLEGIANCE**

**3. PUBLIC COMMENT**

*This is an opportunity for members of the audience to bring to the Council's attention any item not listed on the agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others*

**4. PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS**

*Any formal proclamations or recognitions by the Mayor and Council can be placed in this section. Brief presentations to the City Council of five minutes or less are also included in this part of the agenda.*

**4.A. Proclamation: April 2016 - Distracted Driving Awareness Month - Brad Purdom**

[Proclamation Distracted Driving.pdf](#)

## **5. CONSENT CALENDAR**

*The consent calendar consists of items of a repeating or routine nature considered under a single action. Any Councilor may have an item on the consent agenda removed and considered separately on request.*

### **5.A. Approval of City Council Minutes - April 4, 2016**

[April 4, 2016.docx](#)

### **5.B. Appointment of Laura Swason to serve as the City of Newport Representative on the Solid Waste Advisory Committee for Lincoln County**

[City Manager Report and Recommendation-Laura Swanson Appoint to SWAC.pdf](#)

### **5.C. Confirmation of the Mayor's Appointment to the Planning Commission for a Term Expiring 12-31-18**

[City Manager Report and Recommendation-Confirmation of Mayor's Appointments.pdf](#)

## **6. PUBLIC HEARING**

*This is an opportunity for members of the audience to provide testimony/comments on the specific issue being considered by the City Council. Comments will be limited to three (3) minutes per person.*

### **6.A. Public Hearing - Ordinance No. 2093 - Local Improvement District Comprehensive Plan Policies**

[City Manager Report and Recommendation-Public Hearing-Ordinance 2093 Comprehensive Plan.pdf](#)

[Staff Report](#)

[Ordinance No. 2093](#)

[Exhibit A to Ordinance No. 2093](#)

[3/28/16 Planning Commission Staff Report](#)

[Technical Advisory Committee Roster](#)

[Notice of City Council Hearing](#)

### **6.B. Public Hearing - Consideration and Possible Adoption of Resolution No. 3746, a Resolution Providing for a Supplemental Budget and Making Appropriation/Total Requirement Changes for the Fiscal Year 2015/2016.**

[City Manager Report and Recommendation-Public hearing on Supplemental Budget.pdf](#)

[Staff Report Resolution 3746 City Supplemental Budget -April 20 2016.pdf](#)

[Supplemental Resolution No. 3746 April 18 2016.pdf](#)

[Budget with Supplementals.FY 2016 at April 2016.pdf](#)

[Supplemental Budget -Resolution and Legal Notice- Attachment A - April 18 2016.pdf](#)

## **7. COMMUNICATIONS**

*Any agenda items requested by Mayor, City Council Members, City Attorney, or any presentations by boards or commissions, other government agencies, and general public will be placed on this part of the agenda.*

**7.A. From VAC Steering Committee, Annual Report**

[City Manager Report and Recommendation - VAC Steering Committee Report.pdf](#)  
[VAC.steeringcommittee.updatetothecity.4.16.pdf](#)  
[AttachmentA.vac.steeringcommittee.roster.4.16.pdf](#)  
[AttachmentB.vac.steeringcommittee.2015recommendations upates.pdf](#)  
[AttachmentC.vacsteeringcommittee.rateandfees.pdf](#)  
[AttachmentD.vacsteeringcommittee.updatedrental.guidesandpolicies.pdf](#)  
[AttachmentE.vac.steeringcommittee.5-year.financialplan.pdf](#)  
[AttachmentF.vacsteeringcommittee.update.inkind.pdf](#)

**7.B. From Councilor Engler - Discussion about Code Provisions Relating to the Conversion of Residential Properties to Vacation Rentals**

[City Manager Report and Recommendation-Request From Councilor Engler.pdf](#)  
[ord\\_2032.pdf](#)

**7.C. From ODOT Project Leader Jerry Wolcott Regarding US20 Construction Schudule**

[City Manager Report and Recommendation-ODOT Presentation.pdf](#)  
[US20 PME 2016 outreach City Newport.pdf](#)  
[ODOT Letter.pdf](#)

**7.D. Presentation by Oregon Water Resources Department on Place Based Planning Regional Water Study**

[City Manager Report and Recommendation-Presentation Oregon Water Resources Dept.pdf](#)  
[Staff Report Place Based Planning 4-18-16.docx](#)  
[Place Based Planning Handout](#)

**8. CITY MANAGER'S REPORT**

*All matters requiring approval of the City Council originating from the City Manager and departments will be included in this section. This section will also include any status reports for the City Council's information.*

**8.A. Discussion on Next Steps for Affordable/Workforce Housing**

[City Manager Report and Recommendation-Work Force Housing.pdf](#)

**8.B. Report on Placing 3% Tax on Marijuana on the November Ballot**

[City Manager's Report and Recommendation--3 Percent Tax on Marijuana.pdf](#)  
[Ord. No. 2097 - Imposing a Tax on Marijuana and Marijuana Products.docx](#)

[Res. No. 3745 - Calling for an Election on the Referral of Ord. No. 2097 - Marijuana Taxation.docx](#)  
[Protiva Email.pdf](#)

**8.C. Approval of a Flag for the City of Newport**

[City Manager Report and Recommendation-New Flag for City of Newport.pdf](#)  
[Flag Design.pdf](#)

**8.D. Consideration and Possible Adoption of Resolution No. 3747 Relating to Minor Amendment Twelve to the South Beach Urban Renewal Plan and Report**

[City Manager Report and Recommendation-South Beach Urban Renewal Plan Minor Amendment.pdf](#)  
[CAI SBURP Amendment 12.pdf](#)  
[Resolution No. 3747](#)  
[Minor Amendment Twelve to the South Beach Urban Renewal Plan](#)

**9. REPORT FROM MAYOR AND COUNCIL**

*This section of the agenda is where the Mayor and Council can report any activities or discuss issues of concern.*

**10. PUBLIC COMMENT**

*This is an additional opportunity for members of the audience to provide public comment. Comments will be limited to five (5) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others.*

**11. ADJOURNMENT**





**PROCLAMATION**  
**Distracted Driving Awareness Month**  
**April 2016**

**WHEREAS**, distracted driving can result in injuries and deaths to motorists, pedestrians and bicyclists; and

**WHEREAS**, the health and well-being of Newport's citizens are a direct result of increased awareness about the dangers of distracted driving; and

**WHEREAS**, distracted driving occurs when drivers divert their attention away from the task of driving to focus on another activity, and such distractions endanger drivers' passengers and bystander's safety; and

**WHEREAS**, 80% of all crashes and 65% of all near-crashes can be attributed to some form of driver distraction, which is much greater than the number of crashes caused by any other distraction; and

**WHEREAS**, it is estimated that 1.6 million crashes per year can be attributed to cell phone talking and texting while driving; and

**WHEREAS**, distracted driving is a serious, life-threatening practice that is preventable; and

**WHEREAS**, in order to reduce the number of crashes as well as improve driver safety, Newport motorists should dedicate themselves to adopting and maintaining safe behavior while behind the wheel;

**NOW, THEREFORE**, I, Sandra Roumagoux, Mayor of the City of Newport, hereby proclaim April as Distracted Driving Awareness Month in the City of Newport, and I call this observance to the attention of all citizens and encourage all citizens of Newport to increase their awareness of the dangers of distracted driving, and promise to protect each other on the road through distraction-free driving behavior.

Dated April 18, 2016.

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Sandra N. Roumagoux, Mayor

CITY COUNCIL MEETING  
Oregon

April 4, 2016  
6:00 P.M.  
Newport,

### **ROLL CALL**

The Newport City Council met on the above date in the Council Chambers of the Newport City Hall. On roll call, Allen, Busby, Roumagoux, Swanson, Engler, and Saelens were present. Sawyer was excused.

Staff in attendance were: Spencer Nebel, City Manager, Peggy Hawker, City Recorder/Special Projects Director, Steven Rich, City Attorney, Derrick Tokos, Community Development Director, Tim Gross, Public Works Director, Mike Murzynsky, Finance Director, Jason Malloy, Police Lieutenant, and Jim Protiva, Parks and Recreation Director.

Roumagoux asked for a moment of silence in honor of Rick Bartow who had passed away over the weekend.

### **PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS**

**Proclamation – National Library Week.** Roumagoux proclaimed the week of April 10 – 16, 2016, as National Library Week in the City of Newport.

**Proclamation – Sexual Assault Awareness Month – Tracy Cummings.** Roumagoux read a proclamation proclaiming the month of April 2016 as Sexual Assault Awareness Month in the City of Newport. Tracy Cummings, representing My Sister's Place, accepted the proclamation and distributed a handout.

### **CONSENT CALENDAR**

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the regular meeting of March 21, 2016;
- B. Approval of City Council minutes from the regular meeting of March 7, 2016;
- C. Approval of City Council minutes from the work session of March 21, 2016;
- D. Approval of City Council minutes from the executive session of March 21, 2016;
- E. Confirmation of the Mayor's appointment of David Heater to the Retirement Board of Trustees for a term expiring December 31, 2016.

MOTION was made by Engler, seconded by Busby, to approve the consent calendar with the changes to the minutes as noted by Allen. The motion carried unanimously in a voice vote.

## **PUBLIC HEARING**

### **Public Hearing and Possible Adoption of Ordinance No. 2096 Changing the Name of the Senior Citizen Advisory Committee to the 60+ Advisory Committee.**

Hawker introduced the agenda item. Nebel reported at the March 21, 2016 Council meeting, Council directed staff to develop an ordinance amending Chapter 2.05.050 of the Municipal Code to change the name of the Senior Citizen Advisory Committee to the 60+ Advisory Committee. He stated that this change is consistent with the visioning process the Senior Citizen Advisory Committee has been actively involved with over the past year, and will also be consistent with the name of the facility housing these programs.

Roumagoux opened the public hearing on Ordinance No. 2096 at 6:15 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 6:16 P.M.

MOTION was made by Engler, seconded by Swanson, to read Ordinance No. 2096, an ordinance changing the name of the Senior Citizen Advisory Committee to the 60+ Advisory Committee, by title only, and place for final adoption. The motion carried unanimously in a voice vote.

Hawker read the title of Ordinance No. 2096. Voting aye on the adoption of Ordinance No. 2096 were Saelens, Swanson, Roumagoux, Busby, Engler, and Allen.

## **CITY MANAGER'S REPORT**

**Consideration and Authorization for Staff to Pursue a Paperless Agenda and Packet System/Process for City Council Agendas/Packets.** Hawker introduced the agenda item. Nebel reported that earlier this year, staff began using Granicus software to prepare and compile all the agenda packets for Council meetings. He reported that the use of this software has significantly streamlined the compilation of agenda packets which can often include two or three hundred pages of information.

Nebel reported that there continues to be a significant amount of staff time needed to compile the paper packets. He stated that overall, just with the cost of the paper, a prorated amount of ink, toner, staples, and staff time, the annual cost for printing the paper packets is in excess of \$2,600. He noted that this is based on the 2015 calendar year packets. He added that the return on the investment of I-Pads for Council members would be in about 15 months.

Nebel reported that at the work session of March 21, Council had an opportunity to see how flexible the I-Pads were for making notes on packets, drawings, highlighting, and bookmarking pages that Council members want to refer to during the Council meetings. He stated that as Council begins using some of the public comment capabilities of the agenda management system, public comments on agenda items will be readily available on Council member's I-Pads without requiring the additional compilation,



copying, and distribution of these messages that arrive immediately prior to the Council meetings.

Nebel reported that the packet also includes a possible amendment to the Council Rules outlining the use of city-issued computers by Council members. He stated that if Council directs staff to acquire the I-Pads, then an amendment to the Council Rules, addressing the use of city-issued computers by Council members will be presented for Council review and possible adoption.

Nebel reported that he thinks this will be a significant move, which will reduce the use of various resources and ultimately save the city money and time in producing the packets for Council meetings. He stated that it will also facilitate the ability of the Council to search previous packets, and to get information on an as-needed basis.

Allen stated that he will support this recommendation due to the cost savings and the need to transition to a paperless system. He added that he hoped that training sessions would occur prior to Council using the iPads at a Council meeting. Nebel reported that a training has been scheduled on May 2 at a noon work session, and that paper packets would be available on this day. He added that the transition is scheduled to occur at the May 16 meeting. Busby asked about transparency and public records. Nebel reported that a draft revision to the Council Rules had been included in the packet that would address these issues. He added that if Council opts to move forward, a more formal amendment to the Council Rules will be presented for consideration at a future meeting.

MOTION was made by Engler, seconded by Swanson, that city administration be authorized to proceed with the purchase of appropriate hardware, and the development of appropriate modifications of the rules of order, to allow for implementing a "paperless" agenda packet system for Council meetings. The motion carried unanimously in a voice vote.

**Consideration of Approval of City Manager's Recommendation for Distribution of the Remaining Tourism Facility Grant Funds.** Hawker introduced the agenda item. Nebel reported that over the years, Council has distributed all but \$26,000 of a million-dollar fund that was established for the creation of an event center for the city. He stated that when this did not materialize, these funds were allocated to assist various organizations in creating tourism facilities in the city. He added that all that remains of the original million dollars is \$26,000. He noted that in December, Council approved an administrative process authorizing the City Manager to solicit proposals for the funds from organizations that had previously received funding. He stated that applications were received from the Oregon Coast Council for the Arts, the Lincoln County Historical Society, and the Sea Lion Dock Foundation.

Nebel reported that in order to review the applications, he appointed an internal committee consisting of Hawker, Tokos, and himself to review the proposals. He stated that all three applicants met the eligibility requirements for this program. He added that all three organizations have been good stewards of previous funds granted. He noted that it was the consensus of the review committee that the funds be allocated equally among the three organizations. He stated that if Council is in agreement with this allocation, then a Tourism Facility Grant agreement will be executed with each of the organizations.

Nebel reported that in reviewing the existing agreements for the organizations, it was noted the agreement between the city and the Oregon Coast Council for the Arts had some unique provisions in it. He stated that while the agreement runs through June 30, 2017, there is a provision in the default section for the original grants which indicates "failure to provide \$250,000 in matching funds to the city by July 1, 2015" may result in default. He added that this provision may be different with OCCA since OCCA is improving a city-owned building, where the other organizations are improving their own facilities. He noted that since OCCA is improving a city-owned facility, the contracts for any building improvements have been handled by the city with OCCA providing the matching share plus additional funding in order to cover the cost of the contract at the time the contract is awarded by the city. He stated that staff has drafted an amendment to the agreement with OCCA that will tie this date to the expiration date of the agreement, as well as assurance that OCCA will provide the necessary funding in addition to the Tourism Facility Grant funds that are required to pay for contracted services at the Performing Arts Center,

MOTION was made by Swanson, seconded by Saelens to approve the distribution of the remaining \$25,000 in Tourism Facility Grant funds as follows: \$8,666 to the Lincoln County Historical Society; \$8,667 to the Oregon Coast Council for the Arts; and \$8,667 to the Sea Lion Dock Foundation, conditioned upon each of the organizations executing a Tourism Facilities Grant agreement approved by the City Attorney and executed by the City Manager on behalf of the City of Newport. The motion carried unanimously in a voice vote.

MOTION was made by Swanson, seconded by Saelens, to approve an amendment to the agreement for improvements to the Performing Arts Center between the City of Newport and the Oregon Coast Council for the Arts, effective January 31, 2013, to modify the July 1, 2015, default provisions and require the total funding, including the dollar-for-dollar match of city funds, are provided to the city by OCCA, prior to bid award for any remaining phases of the improvements to the Performing Arts Center. The motion carried unanimously in a voice vote.

**AUTHORIZATION TO PURCHASE A PIONEER, 250 HP ELECTRIC CENTRIFUGAL PUMP.** Hawker introduced the agenda item. Nebel reported that through the course of this winter, there were a number of failures at lift stations that required the rental of pumps to address emergency situations. He stated that these pumps were operated with a diesel motor requiring regular refueling which caused significant noise. He noted that the Public Works Department is proposing to utilize the remaining funds from the purchase of the new loader to purchase a new electric bypass pump that will be trailer-mounted. He added that this will allow the Public Works Department to bypass pump stations in an emergency situation. He stated that the proposed source of funding is the residual funding from the purchase of a new loader in the Wastewater Division, which left \$85,089 of appropriated funds unspent. He noted that the actual expenditure is within the authority he has as City Manager, but that he is requesting Council authorization for the use of a portion of the remaining funds from the purchase of front-end loader for this purchase.

MOTION was made by Engler, seconded by Busby, to authorize the use of the funds remaining from the purchase of a new loader to purchase a trailer-mounted

electric 250 horsepower centrifugal pump in the amount of \$48,996. The motion carried unanimously in a voice vote.

**Consideration and Approval of a Modification to the Contract for Auditing Services with Boldt, Carlisle, and Smith, LLC.** Hawker introduced the agenda item. Nebel reported that there were delays in the completion of the city's annual audit for the fiscal year that ended June 30, 2015. He stated that there were several reasons that delayed the completion of this audit. He noted that one of the issues that led to the delay was the efforts of Murzynsky and the Finance Department staff to draft the financial statement on behalf of the city. He added that most cities of Newport's size usually have the auditors complete the financial statements for the fiscal year. He stated that Murzynsky, had hoped that this work could be done internally, however, he has recognized that the current staffing is insufficient to complete this task on a timely basis. He added that Boldt, Carlisle, and Smith draft financial statements for the majority of their municipal audit clients. He noted that since this would be a change in services beyond those contemplated in the agreement, Boldt, Carlisle, and Smith is proposing an additional fee of \$5,000 for the June 30, 2016 audit. He stated that this will cover the initial setup and creation of the financial statements for the city, including notes, required supplemental information, and other information required to meet financial statements. He added that for years following the June 30, 2016 audit, additional audit fees of \$1,500 are being proposed for Boldt, Carlisle and Smith to take over this effort.

Nebel reported that he appreciates Murzynsky's, efforts in trying to prepare the financial statements in-house, but in reviewing this year's audit, this was one of the things that led to a late audit, and also delayed a number of other efforts that the Finance Department was trying to undertake in order to complete the financial statements for the audit.

Allen reported that on page 136 of the Council packet, the auditors explain the reasoning for the additional cost. He added that there was an extensive conversation, regarding this issue, that occurred with the auditors.

MOTION was made by Saelens, seconded by Swanson, to accept the proposal to modify the contract between the City of Newport, and Boldt, Carlisle, and Smith LLC, to provide for a one-time payment of \$5,000 for the 2015/2016 audit, and \$1,500 for subsequent audits, with the responsibility of preparing the financial statements being shifted from the Finance Department to the auditors. The motion carried unanimously in a voice vote.

**Status Report on Mombetsu Sister City 50<sup>th</sup> Anniversary Flag Design.** Hawker introduced the agenda item. Nebel reported that The committee is proceeding with the development of a 50<sup>th</sup> anniversary flag recognizing the upcoming anniversary in May. He stated that Swanson was instrumental in designing the commemorative flag. He noted that the first part of the celebration will occur in May with the second part occurring in July. Swanson credited Tad Taylor, in the city IT office, for his efforts in creating this flag.

Nebel reported that reservation forms for the Sister City dinner on May 20 were placed at Council seats. He noted that these forms need to be turned into the City Manager's Office, and that the city will absorb the cost for Councilors to attend.

Nebel reported that a special City Council meeting will be held on May 18, for Mayoral presentations, and to swear in the Mayor of Mombetsu as an honorary Newport Mayor during his visit in May. He added that other delegates will be sworn in to serve in a position comparable to their own, and that everyone will be sworn in as honorary Newport citizens at this meeting. He stated that after the meeting, a potluck dinner will be held at the Yacht Club, and that Council is invited to this event.

Nebel distributed a photograph of the sea lion sculptures that the City of Florence has requested permission to install on City of Newport properties. He stated that he intends to move forward with the installation unless there are major objections. He explained that the proposed locations were at the Performing Arts Center and the east end of the Bayfront at the bump-out on the Boardwalk. He noted that the sculptures are planned to remain in place for six months at which time they will be auctioned as a fundraiser for the Florence Event Center.

Nebel advised Council that the statements of economic interest must be filed with the Oregon Government Ethics Commission by April 15.

### **LOCAL CONTRACT REVIEW BOARD**

The City Council met as the Local Contract Review Board.

**Authorization to Purchase a 2016 Ford F-550 Dump Truck with Hydraulic Crane.** Hawker introduced the agenda item. Nebel reported that in the current fiscal year, funding has been appropriated for the replacement of a 1998 Chevrolet one-ton dump truck operated by the Parks Maintenance Division. He stated that the vehicle is being replaced through the state bid for a 2016 Ford F-550 dump truck with hydraulic crane in the amount of \$68,237.

MOTION was made by Saelens, seconded by Swanson, to authorize the Parks Maintenance Division to purchase a 2016 Ford F-550 Dump Truck with a Hydraulic Crane in the amount of \$68,237. The motion carried unanimously in a voice vote.

### **REPORT FROM MAYOR AND COUNCIL**

Roumagoux reported that she met with Helen Wilhelm, at the Little Gallery, at Kidder Hall, at Oregon State University to discuss an art exhibit. She noted that the exhibit will feature coastal artists and mix arts and sciences.

Roumagoux reported that she met with former City Manager, Don Davis, on March 31, and he is continuing work on his "Ebb and Flow" film.

Saelens reported that he attended a recent meeting of the Parks and Recreation Advisory Committee at which the Committee discussed how to best meet City Council goals.

Saelens reported that Engler is unable to attend tomorrow's Solid Waste Advisory Committee meeting, and asked whether another Councilor was available to attend in her stead. Swanson volunteered to attend. Saelens reported that the Committee will be looking at its budget, a new management plan, and viewing a presentation by Environment Oregon on its solarization program. It was noted that a table top exercise

on the implementation of the debris management plan is scheduled in May. Gross reported that he will be unable to attend this exercise.

Swanson reported that she attended a meeting of the city's Emergency Planning Committee. She noted that revisions to the Emergency Operations Plan are underway, and that this document is available on the city's website. She noted that the Emergency Coordinator should be on board in the next few months.

Swanson reported that the Volunteer Fair organized by the 60+ Center was very successful with 50 agencies represented and more than 150 attendees. She noted that Betty Krause, who has been volunteering for tax aid for 45 years, was singled out by AARP this week for her contribution.

Busby reported that he plans to attend the housing forum at the Library tomorrow.

Busby stated that he has not seen any program reporting, on the top three to five projects, in some time. He requested the following information for those projects: initial budget cost; start date; completion date; and best estimate of the completion cost. He noted that information on the pool website shows the schedule but no progress.

Engler reported that the housing forum is scheduled for tomorrow morning at the Library.

Engler reported that the Vision 2040 Committee will be meeting on Thursday to evaluate the proposals for a visioning consultant.

Engler reported that the parking study has begun. She stated that the Lancaster Group will be in town next week, and she encouraged residents to participate in this study.

Allen reported that OPAC will be meeting tomorrow at the Agate Beach Best Western. He noted that discussion items will include: marine reserves update; Oregon Marine Action Plan; ocean acidification and hypoxia impacts on shellfish; Ocean Science Trust; and a discussion on ocean resilience facilitated by SeaGrant.

Allen reported that he had received the Citizen's Police Academy application and noted that three of the meetings conflict with Budget Committee meetings. He noted that absent this conflict, he would attend the Citizen's Police Academy.

Saelens complimented Tokos on how incredible South Beach is beginning to look. He stated that he really appreciates this and added that South Beach is beginning to look like a part of Newport.

### **PUBLIC COMMENT**

Marletta Noe reported that she had received the announcement regarding the parking study meetings via mail.

### **ADJOURNMENT**

Having no further business, the meeting adjourned at 7:07 P.M.

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Margaret M. Hawker, City Recorder

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Sandra N. Roumagoux, Mayor





## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:5.B.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **Appointment of Laura Swanson to serve as the City of Newport Representative on the Solid Waste Advisory Committee for Lincoln County**

#### **Background:**

The Lincoln County Solid Waste Advisory Committee advises the Lincoln County Solid Waste District in current and future waste management policies/programs. The SWAC membership consists of representatives from each of the seven incorporated cities -- one representative from Lincoln County, one representative from the Lincoln County Haulers Association, two representatives from the general public and one representative from the Waste Reduction/Recycling advocates. Councilor Wendy Engler has been serving on this committee since being elected to the City Council. Councilor Engler and Councilor Swanson have discussed the possibility of Councilor Swanson taking over Councilor Engler's seat on this committee. In discussing this with Mayor Roumagoux, she has no objection to this change of appointment to the Solid Waste Advisory Committee for Lincoln County.

#### **Recommendation:**

I recommend that the City Council nominate Councilor Laura Swanson to replace Councilor Wendy Engler on the Lincoln County Solid Waste Advisory Committee and forward that nomination to the Lincoln County Board of Commissioners.

#### **Fiscal Effects:**

None

#### **Alternatives:**

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager

## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:5.C.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **Confirmation of Mayor's Appointment to the Planning Commission for a term expiring 12/31/18**

#### **Background:**

Interviews are scheduled at noon on April 18, 2016, of candidates to fill a vacancy on the Planning Commission. Following the interviews and considering any comments from the City Council members, Mayor Roumagoux will seek confirmation for appointment of this position as part of the consent agenda.

#### **Recommendation:**

I recommend that the City Council confirm the Mayor's appointment to the Planning Commission for a term expiring 12/31/18.

#### **Fiscal Effects:**

None

#### **Alternatives:**

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager

## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:6.A.  
Meeting Date: 4-18-16

### **Agenda Item:**

**Public Hearing and Consideration of Possible Adoption of Ordinance No. 2093, an Ordinance Amending the Public Facilities element of the Newport Comprehensive Plan, relating to Local Improvement Districts.**

### **Background:**

The Planning Commission appointed a technical advisory committee of internal and external stakeholders to work with the consulting firm of FCS Group to develop model policies and codes for utilizing Local Improvement Districts to fund public infrastructure projects in the City of Newport. This effort was funded by a Transportation Growth and Management grant that the city obtained in 2014. The Planning Commission has reviewed the public facilities element of the Newport Comprehensive Plan relating to Local Improvement Districts and recommends adoption by the City Council. This would be the first step to guide future uses of this financing tool. If this language is adopted, then the City Council will be asked at a future meeting to consider an amendment to the code to implement language consistent with the policy and guidance that has been provided through this process. LID's are a way in which a portion of the new infrastructure cost can be assessed on properties benefitting by those improvements. The policy provides that LID's may be initiated by petition or resolution of the City Council. The policy statement suggests maximum amounts that could be assessed on any benefitting properties.

LID's can be an important part of the city's effort to renew infrastructure over the years. LID's must be administered in a very fair and consistent fashion for them to be supported in the community. We will review the policy aspects of using LID's at the noon work session prior to the Council meeting.

### **Recommendation:**

I recommend that the Mayor conduct a public hearing on Ordinance No. 2093, an Ordinance Amending the Public Facilities element of the Newport Comprehensive Plan, relating to Local Improvement Districts.

I further recommend the City Council consider the following motion:

**I move to read Ordinance No. 2093, an Ordinance Amending the Public Facilities element of the Newport Comprehensive Plan, relating to Local Improvement Districts by title only and place for final adoption.**

*The Mayor will then ask for a voice vote on whether or not to read the ordinance by title only and placed for final passage.*

*If the motion is approved, the City Recorder will read the title of the ordinance.*

*A roll call vote on the final passage of the ordinance will then be requested by the Mayor, and taken by the City Recorder.*

**Fiscal Effects:**

None by amending the City's Comprehensive Plan.

**Alternatives:**

None recommended.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is positioned above the printed name.

Spencer R. Nebel, City Manager



**STAFF REPORT  
CITY COUNCIL AGENDA ITEM**

**Title:** Consideration and Possible Adoption of Ordinance No. 2093, an Ordinance Amending the Public Facilities Element of the Newport Comprehensive Plan Relating to Local Improvement Districts

**Prepared by:** Derrick I. Tokos, AICP, Community Development Director

**Recommended Motion:** I move for reading by title only of Ordinance No. 2093, an ordinance amending the Public Facilities element of the Newport Comprehensive Plan Relating to Local Improvement Districts and for adoption by roll call vote.

**Background Information:** This ordinance puts in place policies to provide guidance for when and how Local Improvement District's (LIDs) are to be used to fund public facilities. They were developed with the assistance of the consulting firm FCS Group, who was hired by the Oregon Department of Transportation (ODOT) to help the City put together model policies and codes, a "Cookbook" of LID Implementation Strategies, case studies, and public informational materials to clarify how LIDs can be effectively used to fund local government transportation projects.

This effort was funded by a Transportation Growth Management (TGM) Grant that the City of Newport obtained in June of 2014. The City entered into an intergovernmental Agreement with ODOT to initiate the work in April of 2015 and ODOT hired FCS Group shortly thereafter to assist with the project.

A Technical Advisory Committee (TAC) of internal and external stakeholders was formed to assist the consultant, and the TAC met to review draft LID policies, model code, implementation strategies, and other deliverables on July 6, 2015, September 14, 2015, January 11, 2016 and February 17, 2016. The Planning Commission met in work session to review and comment on these same materials on November 9, 2015, November 23, 2015, December 14, 2015, and initiated the proposed amendments to the "Public Facilities" element of the Newport Comprehensive Plan on December 14, 2015.

**Fiscal Notes:** None. These amendments provide policy guidance in relation to City Council and citizen petition initiated LIDs. There are no financial commitments or obligations associated with adoption of these policies.

**Alternatives:** Not adopting the policies. There were also a number of different strategies put forth by the consultant that were considered and amended by the Technical Advisory Committee and Planning Commission before this final draft set of policies was put forth for adoption.

**Attachments:**

Ordinance No. 2093  
Exhibit A to Ordinance No. 2093  
Staff Report for 3/28/16 Planning Commission Meeting  
Technical Advisory Committee Roster  
Public Notice for the 4/18/16 Public Hearing

**CITY OF NEWPORT**

**ORDINANCE NO. 2093**

**AN ORDINANCE AMENDING ORDINANCE NO. 1621  
(AS AMENDED) TO AMEND THE GOALS AND POLICIES SECTION OF THE  
PUBLIC FACILITIES ELEMENT OF THE COMPREHENSIVE PLAN  
RELATING TO LOCAL IMPROVEMENT DISTRICTS  
(Newport File No. 4-CP-14)**

**Summary of Findings:**

1. On December 14, 2015 the Newport Planning Commission initiated amendments to the “Public Facilities” element of the Newport Comprehensive Plan that put in place policies to provide guidance for when and how Local Improvement District’s (LIDs) are to be used to fund public facilities.

2. Developing strategies to secure financing to pay for planned transportation system improvements is critical for implementation of a Transportation System Plan (TSP). Unfortunately, Newport’s TSP provides little in the way of direction or guidance for how the City should fund transportation improvements. Nonetheless, the City has been creative in developing local funding sources, including urban renewal, local gas and transient room taxes, and the City actively leverages available state and federal resources. These resources fall well short of being able to adequately fund needed transportation projects.

3. The City has been hesitant to explore the use of LIDs to fund transportation projects because of the perceived complexity of implementing an LID program and the real concern that if done poorly, an LID program could compromise the City’s overall financial position. There is also a general lack of understanding amongst the public, staff, and policy makers about what is involved in forming an LID and how this financing tool can be a cost effective solution to funding transportation projects. Consequently, Newport has only basic LID enabling legislation on its books and has not initiated an LID in many years.

4. In June of 2014 the City of Newport secured a Transportation Growth Management (TGM) Grant from the Oregon Department of Transportation (ODOT) to develop model policies, a “Cookbook” of LID Implementation Strategies, model code, case studies, and public informational materials to clarify how LIDs can be effectively used to fund local government transportation projects.

5. An intergovernmental agreement between the City of Newport and ODOT was executed in April of 2015 and ODOT subsequently hired the consulting firm FCS Group to assist with the project.

6. A Technical Advisory Committee (TAC) of internal and external stakeholders was formed to assist the consultant, and the TAC met to review draft LID policies, model code, implementation strategies and other deliverables on July 6, 2015, September 14, 2015, January 11, 2016 and



February 17, 2016. The Planning Commission met in work session to review and comment on these same materials on November 9, 2015, November 23, 2015, December 14, 2015, and initiated draft amendments to the “Goals and Policies” section of the “Public Facilities” element of the Newport Comprehensive Plan on December 14, 2015.

9. The proposed amendments to the “Public Facilities” element of the Newport Comprehensive Plan are consistent with applicable Statewide Planning Goals in that the changes:

- a. Have been developed and vetted with a Technical Advisory Committee and the City of Newport Planning Commission consistent with Statewide Planning Goal 1, Public Involvement; and
- b. Provide policy direction for identifying transportation and other public infrastructure projects that are good candidates for LID funding, limitations and risks inherent to this funding tool, and factors policy makers should consider to mitigate such risks, which will promote fact based decision making consistent with Statewide Planning Goal 2, Land Use Planning; and
- c. Complement economic development strategies contained in the Comprehensive Plan that call for the City to develop strategies for funding street and related infrastructure needed to support economic opportunity sites, consistent with Statewide Planning Goal 9; and
- d. Support the provision of needed housing within the Newport city limits by providing an additional method of financing all or a part of the infrastructure needed to support the construction of new units or to improve the quality of the existing housing stock, consistent with Statewide Planning Goal 10; and
- e. Provide for the timely, orderly, and efficient arrangement of public facilities and services by expanding the range of financing tools available to fund needed infrastructure improvements, as encouraged by Statewide Planning Goal 11, Public Facilities and Services.

10. No other Statewide Planning Goals are applicable to the proposed changes to the “Public Facilities” element of the Newport Comprehensive Plan.

11. While the work to develop the proposed amendments was driven by the need to expand the City’s toolkit of funding options for planned transportation improvements, they are relevant to other public facility needs, such as sewer, water, and storm drainage infrastructure. Therefore, it is appropriate that they be structured in the Comprehensive Plan such that they are applicable to the full range of public infrastructure services provided by the City.

12. The Planning Commission held a public hearing on March 28, 2016, and voted unanimously to recommend adoption of the amendments.

13. The City Council held a public hearing on April 18, 2016 regarding the question of the proposed revisions, and voted in favor of their adoption after considering the recommendation of the Planning Commission and evidence and argument in the record.

14. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council public hearings.

**THE CITY OF NEWPORT ORDAINS AS FOLLOWS:**

**Section 1.** The Goals and Policies section of the Public Facilities element of Ordinance No. 1621 (as amended) is amended as illustrated in Exhibit "A".

**Section 2.** This ordinance shall take effect 30 days after passage.

Date adopted and read by title only: \_\_\_\_\_

Signed by the Mayor on \_\_\_\_\_, 2016.

\_\_\_\_\_  
Sandra Roumagoux, Mayor

ATTEST:

\_\_\_\_\_  
Margaret M. Hawker, City Recorder

## **GOALS AND POLICIES** **PUBLIC FACILITIES ELEMENT**

### **GENERAL**

**Goal:** To assure adequate planning for public facilities to meet the changing needs of the City of Newport urbanizable area.

Policy 1: The city shall develop and maintain public facilities master plans (by reference incorporated herein). These facility plans should include generalized descriptions of existing facilities operation and maintenance needs, future facilities needed to serve the urbanizable area, and rough estimates of projected costs, timing, and probable funding mechanisms. Public facilities should be designed and developed consistent with the various master plans.

Policy 2: In order to assure the orderly and cost efficient extension of public facilities, the city shall use the public facilities master plans in the capital improvement planning.

Policy 3: The city shall work with other providers of public facilities to facilitate coordinated development.

Policy 4: Essential public services should be available to a site or can be provided to a site with sufficient capacity to serve the property before it can receive development approval from the city. For purposes of this policy, essential services shall mean:

- > Sanitary Sewers
- > Water
- > Storm Drainage
- > Streets

Development may be permitted for parcels without the essential services if:

- > The proposed development is consistent with the Comprehensive Plan; and
- > The property owner enters into an agreement, that runs with the land and is therefore binding upon future owners, that the property will connect to the essential service when it is reasonably available; and
- > The property owner signs an irrevocable consent to annex if outside the city limits and/or agrees to participate in a local improvement district for the essential service.

Policy 5: Upon the annexation of territory to the City of Newport, the city will be the provider of water and sewer service except as specified to the contrary in an urban service agreement or other intergovernmental agreement.

Policy 6: Local Improvement Districts (LIDs) should be evaluated as a means of funding public facilities where the construction of such facilities is expected to enhance the value of properties that are adjacent or proximate to the planned improvements.

For LIDs in developed residential areas, the aggregate assessment amount within a prospective LID should be no more than 10% of the assessed value of properties within the boundaries of the proposed district. The aggregate assessed value may be higher for other types of LIDs, such as developer initiated districts; however, in no case should it exceed 50% of the assessed value of the affected property.

When considering a new LID, the City should proceed with preparing an engineer's report that sets out the likely cost of constructing the improvement.

Consideration should be given to bundling LID projects with other capital projects that the City secures bond funds to construct. For an LID to proceed, it must have a reasonable chance of being self-financing, with adequate reserves to ensure that payments are made on bonds/loans regardless of the property-owners' repayment.

If an LID project is considered by the City Engineer to be a partial improvement (less than ultimate planned design), the City should require that interim improvements conform to current City standards in a manner which will allow for completion of the total facility at such time that resources are available.

New LIDs may be initiated by petition or resolution of the City Council.

#### Formation of an LID by Petition

The City Council shall evaluate new LIDs proposed by petition to determine if City resources should be expended to formulate an engineer's report. Only those projects with substantial public support should proceed. An LID petition that includes non-remonstrance agreements and/or petitions of support from property owners representing 75% of the benefited area shall be presumed to have substantial public support.

If an LID petition seeks to leverage other funding to achieve 100% of the project costs then the City Council should consider the likelihood of whether or not those funds will be available within the timeframe that they would need to be committed for construction.

When the City receives petitions for multiple LIDs, priority should be given to prospective LIDs with the highest level of documented support, as measured by recorded non-remonstrance agreements and/or petitions in the benefit area in question.

The cost of completing the engineer's report should be included in the total LID assessment. The City should update its fee schedule to include a non-refundable LID Application Fee to be paid by LID petitioner(s) for petition-initiated LIDs.

#### City Council Initiated LIDs

The City Council on its own motion or upon recommendation by the City Manager may initiate an LID without a petition. In doing so the City Council shall consider the following factors:

- Project purpose and need, including whether or not the improvement addresses an immediate health and safety risk or if it has been identified as a priority improvement in an adopted public facility plan.
- Whether the improvement will address existing deficient infrastructure that is chronically failing.
- Capital cost of the improvement.
- Project cost contingencies and related construction risk factors, such as the need to acquire new public right-of-way, unique construction challenges, or environmental issues.
- Nature of the area benefited, including its existing condition.
- The amount of potential non-LID funding that is expected to be leveraged by the LID, if any. This may include, but is not limited to, federal or state grants, sewer or other types of service charges, urban renewal funds, revenue or general obligation bonds, and reimbursement districts.
- Percentage of properties within the benefit area that have prerecorded non-remonstrance agreements or have owners that favor formation of an LID.

When considering multiple City-initiated LIDs, priority should be given to the LID that addresses the greatest number of factors identified above.

Policy 7: The City may use various means to finance, in whole or in part, improvements to public services in order to maintain public facility service levels and to carryout improvements identified in public facility plans, and adopted city goals and policies. This includes but is not limited to consideration of federal or state grants; water, sewer, storm drainage and other types of service charges; urban renewal funds, revenue or general obligation bonds, local improvement districts, and reimbursement districts.

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## **WATER**

**Goal: To provide the City of Newport with a high quality water system that will supply residents and businesses with adequate quantities for consumption and fire protection.**

**Policy 1:** The city will comply with state and federal laws concerning water quality and will take appropriate steps consistent with those laws to protect and maintain drinking water source areas.

Implementation Measure 1: The City shall work to establish a source water protection buffer in the Big Creek Watershed. The City declares the Big Creek Watershed a public facility consistent with the definition of Public Facility Systems in OAR 660-011-0005(7)(a)(A). The City will work to establish a source water protection buffer that is consistent with the findings of the Oregon Department of Environmental Quality / Oregon Health Department source water assessment report (PWS #4100566).

**Policy 2:** The water system will be designed and developed to satisfy the water demand of the various users under normal and predictable daily and seasonal patterns of use, and at the same time provide sufficient supplies for most emergency situations.

**Policy 3:** The city may extend water service to any property within the city's urban growth boundary, and may extend water service beyond the urban growth boundary if the extension of service is not inconsistent with an urban service agreement or other intergovernmental agreement. The city may require a consent to annexation as a condition of providing water service outside the city limits.

**Policy 4:** The city will acquire lands within the municipal watershed when available or necessary to protect water quality or improve its water system.

**Policy 5:** The city will reconstruct its municipal raw water storage and distribution facilities to address identified structural deficiencies to Big Creek Dam #1 and Big Creek Dam #2.

Implementation Measure 1: The city shall conduct necessary and appropriate engineering studies to determine the safest and most cost-effective approach to ensure the integrity of the municipal water supply. The studies shall identify the cost and timing of needed capital projects to address identified structural deficiencies and comply with Policy 2 of this section.

Implementation Measure 2: The city shall explore financing mechanisms, and prepare a financing plan to fund construction needed to resolve the structural deficiencies by 2030.

**Implementation Measure 3:** The city shall use data and findings from Implementation Measures 1 and 2 of this section to update the Water Supply section of the Public Facilities element of the Newport Comprehensive Plan to reflect new information as a result of the engineering and finance studies.

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## **WASTEWATER**

**Goal:** To provide a wastewater collection and treatment system with sufficient capacity to meet the present and future needs of the Newport urbanizable area in compliance with State and Federal regulations.

Policy 1: On-site sewer systems shall not be allowed unless the city's sanitary sewer system is greater than 250 feet away. In any case, a subsurface permit from the Lincoln County Sanitarian must be obtained prior to any development that will rely on an on-site sewer system.

Policy 2: City wastewater services may be extended to any property within the urban growth boundary. Except for the very limited circumstances allowed by state law and regulations, the city will not generally provide wastewater services outside the urban growth boundary. The city may require a consent to annexation as a condition of providing wastewater service outside the city limits. Nothing in this policy obligates the City to provide wastewater services outside of the city limits. For property outside the city limits but within the urban growth boundary, wastewater services may be provided at the City's discretion only for:

- a) residentially zoned lands as allowed by county zoning without full services, and
- b) commercial and industrial zoned lands to existing lawful uses as of the date (9/4/07) of this amendment.

Policy 3: The city will design and develop the wastewater collection and treatment system in a way that addresses the demands of the various users under normal and predictable daily and seasonal patterns of use.

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## **TRANSPORTATION**

Transportation Goals and Policies repealed by Ordinance No. 1802 (January 4, 1999).

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## **STORM WATER DRAINAGE**

**Goal:** To provide a storm water drainage system with sufficient capacity to meet the present and future needs of the Newport urbanizable area.

Policy 1: The city will comply with state and federal laws concerning water quality.

Policy 2: The city will use existing, natural drainage systems to the greatest extent possible.

\*\*\*\*\*

## **AIRPORT**

**Goal:** To provide for the aviation needs of the City of Newport and Lincoln County.

Policy 1: The city will ensure through zoning and subdivision ordinance provisions that the airport will be able to operate safely and efficiently.

Policy 2: The city will cooperate with state and federal agencies in the development of the airport.

\*\*\*\*\*

## **PORT OF NEWPORT\***

**Goal:** To collaborate with the Port of Newport on the implementation of its Capital Improvement Plan.

Policy 1: The city will coordinate with the Port of Newport when planning to upgrade or construct new public facilities within the Port District and will seek to partner on capital projects to achieve mutually beneficial outcomes.

Policy 2: The city will assist the Port of Newport in its efforts to secure outside funding for capital projects.

*\*Subsection added by Ordinance No. 2056 (September 5, 2013).*



**PLANNING STAFF MEMORANDUM**  
**FILE No. 4-CP-14**

**I. Applicant:** City of Newport. (Initiated pursuant to authorization of the Newport Planning Commission).

**II. Request:** Revisions to the Goals and Policies section of the Public Facilities element of the Newport Comprehensive Plan to provide policy direction on how the City should utilize Local Improvement Districts as a source of funding capital infrastructure projects.

**III. Planning Commission Review and Recommendation:** The Planning Commission will review the proposed amendments and provide a recommendation to the City Council. At a later date, the City Council will hold an additional public hearing prior to any decision on the amendments.

**IV. Findings Required:** The Newport Comprehensive Plan Section entitled "Administration of the Plan" (p. 287-288) requires findings regarding the following for the proposed amendments:

- A. **Data, Text, Inventories or Graphics:** (1) New or updated information.
- B. **Conclusions:** (1) Change or addition to the data, text, inventories, or graphics which significantly affects a conclusion that is drawn for that information.
- C. **Goals and Policies:** (1) A significant change in one or more conclusion; or (2) a public need for the change; or (3) a significant change in community attitudes or priorities; or (4) a demonstrated conflict with another plan goal or policy that has a higher priority; or (5) a change in a statute or statewide agency plan; or (6) applicable statewide planning goals.
- D. **Implementation Strategies:** (1) a change in one or more goal or policy; or (2) a new or better strategy that will result in better accomplishment of the goal or policy; or (3) a demonstrated ineffectiveness of the existing implementation strategy; or (4) a change in the statute or state agency plan; or (5) a fiscal reason that prohibits implementation of the strategy.

These findings are addressed, as appropriate, in the proposed ordinance included with this report.

**V. Planning Staff Memorandum Attachments:**

Attachment "A"	Draft of the proposed Ordinance, with exhibits
Attachment "B"	Draft amendments to Newport Municipal Code Chapter 12
Attachment "C"	Notice of Public Hearing
Attachment "D"	Minutes from the November 9, 2016 and November 23, 2016 Planning Commission Meetings

**VI. Notification:** Notification for the proposed amendments included notification to the Department of Land Conservation & Development (DLCD) in accordance with the DLCD requirements on February 3, 2016. Notice of the Planning Commission hearing was published in the Newport News-Times on March 18, 2016 (Attachment "C").

**VII. Comments:** As of March 21, 2016, no written comments have been submitted on the proposed amendments.

**VIII. Discussion of Request:** Developing strategies to secure financing to pay for planned transportation system improvements is critical for implementation of a Transportation System Plan (TSP). Unfortunately, Newport's TSP provides little in the way of direction or guidance for how the City should fund transportation improvements. Nonetheless, the City has been creative in developing local funding sources, including urban renewal, local gas and transient room taxes, and the City actively leverages available state and federal resources. These resources fall well short of being able to adequately fund needed transportation projects.

In the past, the City has been hesitant to explore the use of LIDs to fund transportation projects because of the perceived complexity of implementing an LID program and the real concern that if done poorly, an LID program could compromise the City's overall financial position. There is also a general lack of understanding amongst the public, staff, and policy makers about what is involved in forming an LID and how this financing tool can be a cost effective solution to funding transportation projects. Consequently, Newport has only basic LID enabling legislation on its books and has not initiated an LID in many years.

In June of 2014 the City of Newport secured a Transportation Growth Management (TGM) Grant from the Oregon Department of Transportation (ODOT) to develop model policies, a "Cookbook" of LID Implementation Strategies, model code, case studies, and public informational materials to clarify how LIDs can be effectively used to fund local government transportation projects. An intergovernmental agreement between the City of Newport and ODOT was executed in April of 2015 and ODOT subsequently hired the consulting firm FCS Group to assist with the project.

A Technical Advisory Committee (TAC) of internal and external stakeholders was formed to assist the consultant, and the TAC met to review draft LID policies, model code, implementation strategies and other deliverables on July 6, 2015, September 14, 2015, January 11, 2016 and February 17, 2016. The Planning Commission met in work session to review and comment on these same materials on November 9, 2015, November 23, 2015, December 14, 2015, and initiated draft amendments to the "Goals and Policies" section of the "Public Facilities" element of the Newport Comprehensive Plan on December 14, 2015.

**IX. Conclusion and Recommendation:** The Planning Commission should review the proposed amendments and make a recommendation to the City Council. As this is a legislative process, the Commission may recommend changes to the amendments if the Commission chooses to do so. The City Council may also make changes to the proposal prior to adoption of a final decision.



Derrick I. Tokos AICP  
Community Development Director  
City of Newport

March 21, 2016

**NOTE:** A draft copy of NMC Chapter 12 is included as Attachment "B" to this report. It includes the proposed LID code amendments that will be presented to the City Council. This code chapter is being provided for context. Because it is not a land use code, it does not require a formal recommendation from the Planning Commission.

**CITY OF NEWPORT**  
**ORDINANCE NO. 2093**

**AN ORDINANCE AMENDING ORDINANCE NO. 1621  
(AS AMENDED) TO AMEND THE GOALS AND POLICIES SECTION OF THE  
PUBLIC FACILITIES ELEMENT OF THE COMPREHENSIVE PLAN  
RELATING TO LOCAL IMPROVEMENT DISTRICTS  
(Newport File No. 4-CP-14)**

**Summary of Findings:**

1. On December 14, 2015 the Newport Planning Commission initiated amendments to the "Public Facilities" element of the Newport Comprehensive Plan that put in place policies to provide guidance for when and how Local Improvement District's (LIDs) are to be used to fund public facilities.
2. Developing strategies to secure financing to pay for planned transportation system improvements is critical for implementation of a Transportation System Plan (TSP). Unfortunately, Newport's TSP provides little in the way of direction or guidance for how the City should fund transportation improvements. Nonetheless, the City has been creative in developing local funding sources, including urban renewal, local gas and transient room taxes, and the City actively leverages available state and federal resources. These resources fall well short of being able to adequately fund needed transportation projects.
3. The City has been hesitant to explore the use of LIDs to fund transportation projects because of the perceived complexity of implementing an LID program and the real concern that if done poorly, an LID program could compromise the City's overall financial position. There is also a general lack of understanding amongst the public, staff, and policy makers about what is involved in forming an LID and how this financing tool can be a cost effective solution to funding transportation projects. Consequently, Newport has only basic LID enabling legislation on its books and has not initiated an LID in many years.
4. In June of 2014 the City of Newport secured a Transportation Growth Management (TGM) Grant from the Oregon Department of Transportation (ODOT) to develop model policies, a "Cookbook" of LID Implementation Strategies, model code, case studies, and public informational materials to clarify how LIDs can be effectively used to fund local government transportation projects.
5. An intergovernmental agreement between the City of Newport and ODOT was executed in April of 2015 and ODOT subsequently hired the consulting firm FCS Group to assist with the project.
6. A Technical Advisory Committee (TAC) of internal and external stakeholders was formed to assist the consultant, and the TAC met to review draft LID policies, model code, implementation strategies and other deliverables on July 6, 2015, September 14, 2015, January 11, 2016 and

February 17, 2016. The Planning Commission met in work session to review and comment on these same materials on November 9, 2015, November 23, 2015, December 14, 2015, and initiated draft amendments to the “Goals and Policies” section of the “Public Facilities” element of the Newport Comprehensive Plan on December 14, 2015.

9. The proposed amendments to the “Public Facilities” element of the Newport Comprehensive Plan are consistent with applicable Statewide Planning Goals in that the changes:

- a. Have been developed and vetted with a Technical Advisory Committee and the City of Newport Planning Commission consistent with Statewide Planning Goal 1, Public Involvement; and
- b. Provide policy direction for identifying transportation and other public infrastructure projects that are good candidates for LID funding, limitations and risks inherent to this funding tool, and factors policy makers should consider to mitigate such risks, which will promote fact based decision making consistent with Statewide Planning Goal 2, Land Use Planning; and
- c. Complement economic development strategies contained in the Comprehensive Plan that call for the City to develop strategies for funding street and related infrastructure needed to support economic opportunity sites, consistent with Statewide Planning Goal 9; and
- d. Support the provision of needed housing within the Newport city limits by providing an additional method of financing all or a part of the infrastructure needed to support the construction of new units or to improve the quality of the existing housing stock, consistent with Statewide Planning Goal 10; and
- e. Provide for the timely, orderly, and efficient arrangement of public facilities and services by expanding the range of financing tools available to fund needed infrastructure improvements, as encouraged by Statewide Planning Goal 11, Public Facilities and Services.

10. No other Statewide Planning Goals are applicable to the proposed changes to the “Public Facilities” element of the Newport Comprehensive Plan.

11. While the work to develop the proposed amendments was driven by the need to expand the City’s toolkit of funding options for planned transportation improvements, they are relevant to other public facility needs, such as sewer, water, and storm drainage infrastructure. Therefore, it is appropriate that they be structured in the Comprehensive Plan such that they are applicable to the full range of public infrastructure services provided by the City.

12. The Planning Commission held a public hearing on \_\_\_\_\_, and voted to recommend **[or forgo]** adoption of the amendments.

13. The City Council held a public hearing on \_\_\_\_\_ regarding the question of the proposed revisions, and voted in favor of [or to forgo] their adoption after considering the recommendation of the Planning Commission and evidence and argument in the record.

14. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council public hearings.

**THE CITY OF NEWPORT ORDAINS AS FOLLOWS:**

**Section 1.** The Goals and Policies section of the Public Facilities element of Ordinance No. 1621 (as amended) is amended as illustrated in Exhibit "A".

**Section 2.** This ordinance shall take effect 30 days after passage.

Date adopted and read by title only: \_\_\_\_\_

Signed by the Mayor on \_\_\_\_\_, 2016.

\_\_\_\_\_  
Sandra Roumagoux, Mayor

ATTEST:

\_\_\_\_\_  
Margaret M. Hawker, City Recorder

## **GOALS AND POLICIES** **PUBLIC FACILITIES ELEMENT**

### **GENERAL**

**Goal:** To assure adequate planning for public facilities to meet the changing needs of the City of Newport urbanizable area.

Policy 1: The city shall develop and maintain public facilities master plans (by reference incorporated herein). These facility plans should include generalized descriptions of existing facilities operation and maintenance needs, future facilities needed to serve the urbanizable area, and rough estimates of projected costs, timing, and probable funding mechanisms. Public facilities should be designed and developed consistent with the various master plans.

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Policy 4: Essential public services should be available to a site or can be provided to a site with sufficient capacity to serve the property before it can receive development approval from the city. For purposes of this policy, essential services shall mean:

- > Sanitary Sewers
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Development may be permitted for parcels without the essential services if:

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When considering a new LID, the City should proceed with preparing an engineer's report that sets out the likely cost of constructing the improvement.

Consideration should be given to bundling LID projects with other capital projects that the City secures bond funds to construct. For an LID to proceed, it must have a reasonable chance of being self-financing, with adequate reserves to ensure that payments are made on bonds/loans regardless of the property-owners' repayment.

If an LID project is considered by the City Engineer to be a partial improvement (less than ultimate planned design), the City should require that interim improvements conform to current City standards in a manner which will allow for completion of the total facility at such time that resources are available.

New LIDs may be initiated by petition or resolution of the City Council.

#### Formation of an LID by Petition

The City Council shall evaluate new LIDs proposed by petition to determine if City resources should be expended to formulate an engineer's report. Only those projects with substantial public support should proceed. An LID petition that includes non-remonstrance agreements and/or petitions of support from property owners representing 75% of the benefited area shall be presumed to have substantial public support.

If an LID petition seeks to leverage other funding to achieve 100% of the project costs then the City Council should consider the likelihood of whether or not those funds will be available within the timeframe that they would need to be committed for construction.

When the City receives petitions for multiple LIDs, priority should be given to prospective LIDs with the highest level of documented support, as measured by recorded non-remonstrance agreements and/or petitions in the benefit area in question.

The cost of completing the engineer's report should be included in the total LID assessment. The City should update its fee schedule to include a non-refundable LID Application Fee to be paid by LID petitioner(s) for petition-initiated LIDs.

#### City Council Initiated LIDs

The City Council on its own motion or upon recommendation by the City Manager may initiate an LID without a petition. In doing so the City Council shall consider the following factors:

- Project purpose and need, including whether or not the improvement addresses an immediate health and safety risk or if it has been identified as a priority improvement in an adopted public facility plan.
- Whether the improvement will address existing deficient infrastructure that is chronically failing.
- Capital cost of the improvement.
- Project cost contingencies and related construction risk factors, such as the need to acquire new public right-of-way, unique construction challenges, or environmental issues.
- Nature of the area benefited, including its existing condition.
- The amount of potential non-LID funding that is expected to be leveraged by the LID, if any. This may include, but is not limited to, federal or state grants, sewer or other types of service charges, urban renewal funds, revenue or general obligation bonds, and reimbursement districts.
- Percentage of properties within the benefit area that have prerecorded non-remonstrance agreements or have owners that favor formation of an LID.

When considering multiple City-initiated LIDs, priority should be given to the LID that addresses the greatest number of factors identified above.

Policy 7: The City may use various means to finance, in whole or in part, improvements to public services in order to maintain public facility service levels and to carry out improvements identified in public facility plans, and adopted city goals and policies. This includes but is not limited to consideration of federal or state grants; water, sewer, storm drainage and other types of service charges; urban renewal funds, revenue or general obligation bonds, local improvement districts, and reimbursement districts.



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## **WATER**

**Goal:** To provide the City of Newport with a high quality water system that will supply residents and businesses with adequate quantities for consumption and fire protection.

Policy 1: The city will comply with state and federal laws concerning water quality and will take appropriate steps consistent with those laws to protect and maintain drinking water source areas.

Implementation Measure 1: The City shall work to establish a source water protection buffer in the Big Creek Watershed. The City declares the Big Creek Watershed a public facility consistent with the definition of Public Facility Systems in OAR 660-011-0005(7)(a)(A). The City will work to establish a source water protection buffer that is consistent with the findings of the Oregon Department of Environmental Quality / Oregon Health Department source water assessment report (PWS #4100566).

Policy 2: The water system will be designed and developed to satisfy the water demand of the various users under normal and predictable daily and seasonal patterns of use, and at the same time provide sufficient supplies for most emergency situations.

Policy 3: The city may extend water service to any property within the city's urban growth boundary, and may extend water service beyond the urban growth boundary if the extension of service is not inconsistent with an urban service agreement or other intergovernmental agreement. The city may require a consent to annexation as a condition of providing water service outside the city limits.

Policy 4: The city will acquire lands within the municipal watershed when available or necessary to protect water quality or improve its water system.

Policy 5: The city will reconstruct its municipal raw water storage and distribution facilities to address identified structural deficiencies to Big Creek Dam #1 and Big Creek Dam #2.

Implementation Measure 1: The city shall conduct necessary and appropriate engineering studies to determine the safest and most cost-effective approach to ensure the integrity of the municipal water supply. The studies shall identify the cost and timing of needed capital projects to address identified structural deficiencies and comply with Policy 2 of this section.

Implementation Measure 2: The city shall explore financing mechanisms, and prepare a financing plan to fund construction needed to resolve the structural deficiencies by 2030.

**Implementation Measure 3:** The city shall use data and findings from Implementation Measures 1 and 2 of this section to update the Water Supply section of the Public Facilities element of the Newport Comprehensive Plan to reflect new information as a result of the engineering and finance studies.

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## **WASTEWATER**

**Goal:** To provide a wastewater collection and treatment system with sufficient capacity to meet the present and future needs of the Newport urbanizable area in compliance with State and Federal regulations.

Policy 1: On-site sewer systems shall not be allowed unless the city's sanitary sewer system is greater than 250 feet away. In any case, a subsurface permit from the Lincoln County Sanitarian must be obtained prior to any development that will rely on an on-site sewer system.

Policy 2: City wastewater services may be extended to any property within the urban growth boundary. Except for the very limited circumstances allowed by state law and regulations, the city will not generally provide wastewater services outside the urban growth boundary. The city may require a consent to annexation as a condition of providing wastewater service outside the city limits. Nothing in this policy obligates the City to provide wastewater services outside of the city limits. For property outside the city limits but within the urban growth boundary, wastewater services may be provided at the City's discretion only for:

- a) residentially zoned lands as allowed by county zoning without full services, and
- b) commercial and industrial zoned lands to existing lawful uses as of the date (9/4/07) of this amendment.

Policy 3: The city will design and develop the wastewater collection and treatment system in a way that addresses the demands of the various users under normal and predictable daily and seasonal patterns of use.

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## **TRANSPORTATION**

Transportation Goals and Policies repealed by Ordinance No. 1802 (January 4, 1999).

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## **STORM WATER DRAINAGE**

**Goal:** To provide a storm water drainage system with sufficient capacity to meet the present and future needs of the Newport urbanizable area.

**Policy 1:** The city will comply with state and federal laws concerning water quality.

**Policy 2:** The city will use existing, natural drainage systems to the greatest extent possible.

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## **AIRPORT**

**Goal:** To provide for the aviation needs of the City of Newport and Lincoln County.

**Policy 1:** The city will ensure through zoning and subdivision ordinance provisions that the airport will be able to operate safely and efficiently.

**Policy 2:** The city will cooperate with state and federal agencies in the development of the airport.

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## **PORT OF NEWPORT\***

**Goal:** To collaborate with the Port of Newport on the implementation of its Capital Improvement Plan.

**Policy 1:** The city will coordinate with the Port of Newport when planning to upgrade or construct new public facilities within the Port District and will seek to partner on capital projects to achieve mutually beneficial outcomes.

**Policy 2:** The city will assist the Port of Newport in its efforts to secure outside funding for capital projects.

*\*Subsection added by Ordinance No. 2056 (September 5, 2013).*

## CHAPTER 12.05 LOCAL IMPROVEMENT DISTRICTS (2/3/16 revised draft)

12.05.005	Definitions
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12.05.110	Interpretation and Coordination with State Law
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12.05.120	Appeals

### 12.05.005 Definitions:

The following definitions apply unless inconsistent with the context:

"Benefitted Property" means a property that is expected to be enhanced in value after an LID improvement is constructed, including: properties that are adjacent to an LID improvement; and properties that are proximate to an LID improvement. Benefiting properties will experience enhanced property value from improved accessibility, and improved urban services that result from an LID project.

"Chronic Disrepair" means a failing condition of public infrastructure that is deemed by the city to be beyond its useful life or failing in a manner that has necessitated unplanned public investment exceeding two times per year.

"Emergency condition" means public infrastructure that is

failing and poses imminent risk to the health and safety of residents, visitors, and/or businesses, including infrastructure conditions deemed by the city to be in a state of chronic failure.

“Local Improvement” has the meaning given under ORS 310.140 (9) (a) means a capital construction project or part thereof, undertaken by a local government, pursuant to ORS 223.399, or pursuant to a local ordinance or resolution prescribing the procedure to be followed in making local assessments for benefits from a local improvement upon the lots that have been benefited by all or part of the improvement:

- 1) That provides a special benefit only to specific properties or rectifies a problem caused by specific properties; and
- 2) The costs of which are assessed against those properties in a single assessment upon the completion of the project; and

“Local Improvement District (LID)” means the area determined by the council to be specially benefited by a local improvement, within which properties are assessed to pay for the cost of the local improvement.

“Lot” means a lot, block or parcel of land.

“Non-Remonstrance Agreement” means a written agreement with the city, executed by a property owner or the owner’s predecessor in title, waiving the right of an owner to file a remonstrance against formation of an LID to fund identified public infrastructure improvements.

“Owner” means the owner of the title to real property or the contract purchaser of real property of record as shown on the last available complete assessment role in the office of the County Assessor.

“Remonstrance” means a written objection to the formation of an LID filed by an owner of property within a proposed LID.

#### **12.05.010 Initiation of Local Improvement Districts**

A. The council by motion or on petition of the owners of 75 percent of the property benefited by the proposed public improvement may direct that a preliminary engineering report be prepared to assist the council in determining whether a local improvement district should be formed to pay all or part

of proposed street, sewer, sidewalk, drainage and/or other public improvements.

B. When initiating an LID without petition by property owners, the city council shall consider the following factors:

1. Nature of the area benefited, including its existing condition and the extent to which the affected properties will benefit from the proposed public improvements.
2. The percentage of properties within the benefit area that have prerecorded non-remonstrance agreements or have owners that favor formation of an LID.
3. Whether or not the public improvements address existing or potential health and safety risk to city residents, businesses, employees or visitors; and/or addresses infrastructure in a state of chronic failure.
4. Ability to leverage alternative methods of funding from existing sources. For LIDs in developed residential areas, the aggregate assessment amount within a prospective LID should be no more than 10% of the assessed value of properties within the boundaries of the proposed district. The aggregate assessed value may be higher for other types of LIDs, such as developer initiated districts; however, in no case should it exceed 50% of the assessed value of the affected property.
5. Project cost contingencies and related construction risk factors, such as the need to acquire new public right-of-way, topographic challenges, or environmental issues.
6. The priority of the project per adopted public facility plans or capital improvement programs.

C. In the consideration of any of the above mentioned factors, a council initiated LID should have a reasonable chance of being self-financing, with adequate reserves to ensure that payments are made on bonds/loans, regardless of the property owners repayment.

D. When a potential LID project is deemed by the city engineer or community development director to meet one or more of these factors, a council initiated district may be advanced by the council through a resolution requesting that a preliminary engineering report on LID formation be prepared.

#### **12.05.015 Preliminary Engineer's Report**

A. The preliminary engineer's report shall contain:

1. A full description of the project and its boundaries.
2. A description of each parcel of land specially benefited, including the name of the record owner of the parcel.
3. An estimate of the probable cost of the project, including property acquisition, design, construction, engineering, legal, administrative, interest or other costs.
4. A recommendation as to what portion of the total costs of the project should be paid by specifically benefited property.
5. A recommendation of a method of assessment, together with an estimate of the cost per unit to specially benefited property.
6. A recommendation whether to proceed with formation of the local improvement district.

#### **12.05.020 Council's Action on Engineer's Report**

A. After the engineer's report has been filed with the city recorder, the council may thereafter by motion approve the report, request that staff reassess elements of the report, require the engineer to supply additional or different information for such improvements, or it may abandon the improvement.

#### **12.05.025 Notice of Hearing on District Formation**

- A. Unless all owners of specially benefited property have petitioned for formation of the local improvement district and waived the right of remonstrance, the city shall provide notice to property owners of a council hearing on the proposed district by submitting a notice in a newspaper of general circulation within the town and by mailing notice to the owner's address listed in the county tax records. The city may provide additional notice.
- B. Within ten (10) business days of the filing of the report required by NMC 12.05.15 the recorder shall cause a

notice to be published twice in a newspaper of general circulation within the city setting out the following:

1. That a written project report for a proposed LID is on file and is available for examination at City Hall
  2. The date said report was filed
  3. The estimated probable cost of the proposed local improvement or the actual cost of the improvement if it has been completed;
  4. A description of the proposed improvement district and that a map of the proposed district is available for examination at City Hall;
  5. The time and place of the hearing required by NMC 12.05.30
  6. A statement that written and oral testimony submitted by any person will be considered at such hearing.
  7. That property owners wishing to remonstrate against the formation of the proposed district must submit their remonstrance in writing and file the remonstrance with the city recorder by the end of the public hearing. Remonstrances may be withdrawn any time prior to the close of the hearing.
- C. Not less than ten (10) days prior to the hearing required by NMC12.05.030, mail to each property owner designated in the written engineering report a notice stating:
1. The information set forth in Subsection B of this section;
  2. The proposed method of assessment;
  3. The estimated amount of the assessment for each lot or portion thereof owned by the owner and whether the assessments are being levied prior to construction based upon estimates of project cost or after construction based upon known costs; and
  4. A statement that all remonstrances must be in writing and filed with the city recorder by the end of the public hearing. Remonstrances may be withdrawn any time prior to the close of the hearing.



- D. Post a copy of the preliminary map of the proposed improvement district at City Hall.

#### **12.05.030 Hearing on District Formation**

- A. After the engineer's report, as submitted or modified, has been approved or accepted by city council resolution, the council shall hold a public hearing on the proposed improvement and formation of the district and consider oral and written testimony, as well as remonstrances. Such hearing shall be held after the receipt of the engineering report described in NMC 12.05.015 but not less than fifteen (15) days after the date of the second publication of notice.
- B. If property owners owning one half or more of the property area within the district to be specially assessed remonstrate against the improvement, the council shall suspend formation of the district for a period of not less than six (6) months. This provision shall not apply if the council unanimously declares the LID improvement to be needed because of an emergency or to remedy infrastructure in chronic disrepair. If a property has multiple owners, a remonstrance by an owner shall be considered a fraction of a remonstrance to the extent of the interest in the property of the person filing the remonstrance.
- C. All remonstrances must be in writing and filed with the city recorder by the end of the public hearing. Remonstrances may be withdrawn any time prior to the close of the hearing.
- D. If insufficient remonstrances are filed to prevent the formation of the local improvement district, the council shall have discretion whether or not to form the district and proceed with the public improvement.
- E. Based on testimony at the hearing, the council may modify the scope of the improvements and/or the district boundary. The council may use any reasonable method of determining the extent of the local improvement district based on the benefits of the proposed local improvement(s). If any modifications approved by council include additional property or result in a likely increase in assessments on any property, the city shall hold another hearing and provide notice of the additional hearing in the same manner as it provided notice of the initial hearing.

- F. A decision to accept the engineer's report, form the local improvement district and proceed with making the local improvements shall be by resolution. This resolution shall at a minimum address the following:
1. Create the local improvement district and establish its boundaries;
  2. Determine generally the time for commencing and the manner of construction;
  3. Establish an account for the receipt and disbursement of monies relating to the project; and
  4. Establish the method for allocating the costs associated with the project.

#### **12.05.035 Final Plan and Specifications**

- A. After a council decision to form the district and proceed with the local improvement(s), the city shall obtain necessary rights-of-way and easements and for development of a final plan and specifications prior to publishing contract solicitation documents.
- B. After developing the final plan and specifications, the city engineer shall prepare a new estimate of costs. If the new estimate exceeds the original cost estimate by 10% or more at the time of its hearing or if the city engineer deems there to be significant changes in the project as a result of the additional unanticipated work, a supplemental engineer's report shall be prepared and submitted to the council which shall hold a hearing on the revised engineer's report. The hearing shall be noticed in the same manner as the original hearing, and property owners shall have the right to submit a remonstrance based on the revised engineer's report. The council shall follow the same procedure and standards applicable to the original hearing.

#### **12.05.040 Construction**

- A. Construction work on the local improvement(s) may be by the city, by another government agency, by contract with a private contractor, or by any combination of those entities. Any contracting shall be in accordance with the city's public contracting rules.

- B. Construction may proceed after the development of the final plan and specification if the scope and budget vary less than 10% from the improvements authorized by the council after the initial hearing. If the scope and budget vary more than 10%, an additional hearing must be held. If an additional hearing is held, construction may proceed after a council decision accepting the revised engineer's report and directing that the local improvement(s) be constructed.

#### **12.05.045 Costs Included in Assessment**

The costs and expenses that may be assessed against specially benefited property include but are not limited to:

- A. The costs of property, right-of-way or easement acquisition, including the cost of any condemnation proceedings.
- B. Engineering and survey costs.
- C. Costs of construction and installation of improvements, including but not limited to: streets, curbs, sidewalks gutters, catch basins, storm water improvements, driveways, accessways, lighting, traffic control devices, painting, and striping, surface water management facilities, water and sewer lines, lift stations, and fire hydrants.
- D. Costs of preliminary studies.
- E. Advertising, legal, administrative, notice, supervision, materials, labor, contracts, equipment, inspection and assessment costs.
- F. Financing costs, including interest charges.
- G. Attorney fees.
- H. Any other necessary expenses.

#### **12.05.050 Method of Assessment**

- A. The Council shall:
  - 1. Use a fair and reasonable method for determining the extent of the improvement district boundaries that is

consistent with the benefits derived.

2. Consider fair and reasonable methods for apportioning the actual or estimated costs of the improvement among benefited properties including but not limited to those methods identified in NMC 12.05.050(D).

B. The Council may:

1. Authorize payment by the City of all or any part of the cost of such improvements; provided that the method selected creates a reasonable relation between the benefits derived by the property specially benefited and the benefits derived by the City as a whole.
2. At any time prior to the effective date of the resolution levying the assessments for any improvement district, modify the method adopted in the resolution forming the improvement district if the Council determines that a different method is a more just and reasonable method of apportioning the cost of the project to the properties benefited.
3. Use any other means to finance improvements, including federal or state grants-in-aid, user charges or fees, revenue bonds, general obligation bonds, or any other legal means of finance to pay either all or any part of the cost of the improvements.

C. In establishing a fair and reasonable method for apportioning the actual or estimated cost of local improvements among benefited properties, the Council shall rely upon the following guidelines:

1. Individual property owners shall pay for public improvements specially benefiting their property. The determination of benefit shall be made irrespective of whether the property is vacant or the owner elects to connect to the local improvements. Special costs or features of the improvement that benefit a particular parcel of property in a manner peculiar to that parcel shall, together with a share of the overhead for the improvement, be assessed separately against the parcel.
2. Costs of the improvement to be borne by the City shall

be excluded from the assessment before apportionment. The City will pay the cost of:

- i. Extra capacity improvements when the size of the public improvements required exceed the minimum standards established in the Specifications and Standards for Construction of Public Improvements adopted in accordance with local transportation plans or public facility plans, and the project has been included in the City budget document for the fiscal year during which construction of the improvement is scheduled; or
- ii. Special and unusual costs when the Council determines that circumstances exist which warrant City payment of all or a portion of the cost of the public improvements.

D. In establishing a fair and reasonable method for apportioning actual or estimated costs of local improvements among benefited properties, the Council may, but in no way is required to, rely upon the following guidelines (as summarized in Exhibit 12.05.05-1) and described below:

1. Improvement Costs of Streets.

- i. Street improvement costs may include all improvements required or as established by the improvement district within the public right of way. Such improvements shall meet the minimum standards adopted under the Newport Transportation System Plan and may include any of the elements identified in Section 12.05.045.
- ii. Costs shall be applied on a per linear foot basis, or other methods identified in the engineer's report. Where a property owner requests or requires supplemental approach construction (i.e., widened driveway aprons that access individual properties), the costs associated with that additional construction shall be assessed to the individual property owner benefitting from this supplemental construction.




2. Improvement Costs of Sidewalks. Parcels abutting a sidewalk shall be liable for a proportionate share of

the cost of the sidewalks, based on the front footage of the parcel abutting the sidewalk. Where, however, the Council finds that construction of a sidewalk on both sides of the street is unnecessary or not feasible; the cost of the sidewalk on one side of the street may be assessed to both the parcels abutting the sidewalk and the parcels on the opposite side of the street from the sidewalk.

3. Improvement Costs of Surface Water Management.  
The cost to be assessed shall be apportioned to each parcel within the improvement district on the basis of its land area that contributes to or otherwise directly benefits from the City's drainage system.

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Exhibit 12.05.05-1

Assessment Method	LID Improvement Type			
	Street/ Sidewalk	Sewer	Water	Stormwater
Existing Assessed Value	✓	✓	✓	✓
Expected Change in Assessed Value	✓	✓	✓	✓
Gross Land Area	✓	✓	✓	✓
Linear Frontage Along Improvement	✓	✓	✓	✓
Existing Trip Generation	✓	-	-	-
Expected Change in Trip Generation	✓	-	-	-
Existing Sewer Connections	-	✓	-	-
Expected Change in Sewer Connection	-	✓	-	-
Existing Water Meter Connections	-	-	✓	-
Expected Change in Water Meter Connections	-	-	✓	-
Existing Impervious Surface Area	-	-	-	✓
Expected Change in Impervious Surface Area	-	-	-	✓
<b>Legend</b>  Primary Assessment Method  Secondary Assessment Method  Tertiary Assessment Method				

#### 4. Improvement Costs of Water and Sewer Lines.

- i. The properties specially benefited by a sewer main or water pipe shall bear the cost of the system up to and including eight inches of pipe diameter. These costs shall be apportioned to each parcel on the basis of a cost per square foot of service area, determined by dividing the total system

cost by the total service area.

- ii. In addition to main or pipe costs, each property benefited by a sewer main or water pipe shall be considered to have at least one service line connection point. If more than one service line connection point is provided for a benefited parcel, it shall be assessed for the actual number of service line connection points. All costs related to the service lines, including overhead costs, shall be divided by the total number of service line connection points, to determine the cost per service line connection point.
5. Corner Lots. For street, sewer, water and/or stormwater project LIDs that assess costs to properties based upon linear frontage, corner lots may be exempted from an assessment for the first 100 feet of frontage on the side abutting a local improvement, or for the full length of the side abutting the improvement, whichever is shorter, if one or more of the following conditions exist and the City Council grants an exemption:
- i. The local improvement is required to serve a new subdivision or new development, the corner lot is located outside the subdivision or development, and the corner lot will receive no benefit from the local improvement for which the assessment is levied; or
  - ii. The corner lot has two sides abutting the local improvement for which the assessment is levied and is being assessed for the full frontage of one side abutting the improvement; or
  - iii. The Council determines the Corner Lot receives no benefit from the local improvement for which the assessment is levied and the property has been previously assessed for the same type of local improvement on the side not abutting the local improvement for which the assessment is levied.

The City Council need not grant a Corner Lot exemption if the Council determines the property will receive a benefit from the local improvement for which the assessment is being levied.

6. Minimum Frontage. All lots may be assessed for an equivalent front footage of no less than 60 feet.
7. Benefited Property. A benefited property may be defined as one which is adjacent to any street, easement or right of way on which a local improvement is installed or which reasonably is capable of connecting to, or directly benefiting from, the



improvement.

8. **Assessment Alternative.** Assessment alternatives that vary from those listed in this section may be identified within the engineer's report. A weighting method may be considered among multiple alternatives to determine a hybrid alternative assessment.
9. **Equal Assessments.** If property owners of all or part of the benefited properties within the improvement district are in unanimous agreement, and so request, then their share of the improvement costs may be apportioned in equal amounts.

#### **12.05.055 Alternative Methods of Financing**

A. The Council may allocate a portion of the cost of such improvement from the funds of the city. The council may base this on topographic concerns, the physical layout of the improvement, unusual or excessive public use of the improvement, or other characteristics. The amount assessed against all property specially benefited will be proportionately reduced.

B. The council may use other means to finance, in whole or in part, the improvements, including but not limited to: federal or state grants-in-aid, sewer or other types of utility charges, urban renewal funds, revenue or general obligation bonds.

#### **12.05.060 Final Assessment**

- A. After final acceptance of the public improvements by the city, the city engineer shall prepare a final report that describes the completed improvement, lists the total costs with a breakdown of the components of the total cost, and proposes a method of assessment. The city engineer shall prepare the proposed assessments for each lot within the improvement district, file the assessments with the finance director, and submit a proposed assessment resolution to the city council. The city engineer shall provide an explanation of any difference in the proposed cost allocation or method of assessment previously proposed.
- B. The city council shall hold a hearing on the final engineer's report and at that hearing shall establish by resolution the method of assessment and amount to be assessed against each specially benefited property.

- C. The council in adopting a method of assessment of the costs of the improvement(s) may use any method of apportioning the sum to be assessed that the council determines to be just and reasonable among the properties in the local improvement district.
- D. After the council adopts the assessment resolution, the city will schedule a council hearing and mail notice of the proposed assessments to each owner of assessed property within the district at least 10 days before the hearing. The notice shall contain:
  - 1. The name of the owner and a description of the property to be assessed.
  - 2. The amount of the assessment.
  - 3. The proposed allocation and method of assessment.
  - 4. The date, time and place of the council hearing on objections to the assessment, and the deadline to submit written objections before the hearing.
  - 5. A statement that the assessment as stated in the notice or as modified by the council after the hearing will be levied by the council, charged against the property, and be due and payable.
- E. Any mistake, error, omission or failure relating to the notice shall not invalidate the assessment proceedings, but there shall be no foreclosure or legal action to collect until notice has been provided to the property owner, or if owner cannot be located, notice is published once a week for two consecutive weeks in a newspaper of general circulation in the city.
- F. The council shall hold the public hearing and consider oral and written objections and comments. After the hearing, the council shall determine the amount of assessment to be charged against each property within the district according to the special benefits to each property from the improvement(s). The final decision spreading the assessment shall be by resolution.
- G. If the initial assessment has been made on the basis of estimated cost, and, upon completion of the work, the cost is found to be greater than the estimated cost, the

council may make a deficit assessment for the additional cost, provided, however, the council may not make a deficit assessment for more than ten (10) percent of the initial assessment. Proposed assessments upon the respective lots within the special improvement district for a proportionate share of the deficit shall be made, notices shall be sent, opportunity for objections shall be given, any objections shall be considered, and a determination of the assessment against each particular lot, block, or parcel of land shall be made in the same manner as in the case of the initial assessment, and the deficit assessment shall be spread by resolution.

- H. If assessments have been made on the basis of estimated cost and upon completion of the improvement project the cost is found to be less than the estimated cost, the council shall ascertain and declare the same by resolution, and when so declared the excess amounts shall be entered on the city lien record as a credit upon the appropriate assessment. Thereafter, the person who paid the original assessment, or that person's legal representative or successor, shall be entitled to repayment of the excess amount. If the property owner has filed an application to pay the assessment by installment, the owner shall be entitled to such refund only when such installments, together with interest thereon, are fully paid. If the property owner has neither paid such assessment nor filed an application to pay in installments, the amount of the refund shall be deducted from such assessment, and the remainder shall remain a lien on the property until legally satisfied.

#### **12.05.065 Notice of Assessment**

Within 10 days after the effective date of the resolution levying the assessments, the finance director shall send by first-class mail to the owner of the assessed property a notice containing the following information:

- A. The date of the resolution levying the assessment, the name of the owner of the property assessed, the amount of the specific assessment and a description of the property assessed.
- B. A statement that application may be filed to pay the assessment in installments in accordance with the provisions of this chapter.

- C. A statement that the entire amount of the assessment, less any part for which application to pay in installments is made, is due within 30 days of the date of the notice and, if unpaid on that date, will accrue interest and subject the property to foreclosure.

Supplementary notice of assessment in form and content to be determined by the finance director may also be published or posted by the finance director.

#### **12.05.070 Financing of LID Program**

- A. The City will account for the payment of LID formation costs, construction costs and the retirement of debt incurred by the City in connection with local improvement projects on which the payment of assessments has been deferred under this Ordinance.
- B. The initial funds for the LID program will be taken from fund transfers and/or debt approved by the City Council and shall be allocated to LID projects in a manner that takes into account expenditure restrictions. LID program financing by the City will be secured by property liens using debt instruments such as revenue bonds, loans, inter-fund loans, etc. with a debt reserve that equates to 12-months of combined interest/principal obligations on outstanding LID fund balances.
- C. Deferments shall be granted on a pro rata or otherwise equitable basis, depending upon individual assessment amounts for applications received within the time period set under Section 12(3) for submittal, to the extent that Program funds are available.

#### **12.05.075 Payment**

- A. Unless an application is made for payment in installments as provided by this section, assessments shall be due and payable in full within 30 days after the date the notice of assessment is mailed, and if not so paid, shall bear interest at the rate of 9 percent per year. The city may proceed to foreclose or enforce collection of the assessment lien if the amount is not paid in full within 90 days of the date the notice of assessment is mailed.
- B. Any time within 30 days after the notice of assessment is

mailed or within 30 days of resolution of any writ of review proceeding challenging the assessment, the owner of the property may apply to pay the any assessment in excess of \$500 in ten equal annual installments, with the first payment to be paid within 30 days of the determination by the finance director of the amount of the annual payment. The application shall state:

1. That the applicant waives all irregularities or defects, jurisdictional or otherwise, in any way relating to the assessment.
  2. State that the applicant understands the terms and conditions of the city's payment policies including the penalties for nonpayment.
- C. On receipt of an application for payment in installments, the finance director shall determine whether the city will finance the payments internally or issue bonds or obtain a loan for the amount financed. The interest rate will be set at the interest rate charged to the city, plus 2%. If the city finances the payments internally, the interest rate shall be at the interest rate payable to the city if it had invested the money in a local government pool account, plus 3%. The finance director shall then notify the property owner of the payment amounts and due dates.
- D. If any installment payment is not paid within one year of the due date, the council shall adopt a resolution declaring the entire amount of principal and interest due and payable at once.
- E. The entire amount of principal and accrued interest shall be payable on any sale of the specially assessed property or change in its boundaries.
- F. There shall be no penalty for early payment or early retirement of LID principal amounts.

#### **12.05.080 Lien and Foreclosure**

- A. The finance director shall enter in the city lien docket:
1. A statement of the amounts assessed upon each particular lot, parcel of land or portion thereof;

2. A description of the improvement;
  3. The names of the owners; and
  4. The date of the assessment resolution.
- B. On entry in the lien docket, the amount entered shall become a lien and charge upon the properties that have been assessed for such improvement.
- C. All assessments liens of the city shall be superior and prior to all other liens or encumbrances on property in accordance with ORS 94.709.
- D. The city may collect any payment due and may foreclose the liens in any manner authorized by state law.

#### **12.05.085 Errors in Assessment Calculations**

Claimed errors in the calculation of assessments shall be called to the attention of the finance director who shall determine whether there has been an error. If the finance director determines that there has been an error, the matter shall be referred to the council for an amendment of the assessment resolution. On amendment of the resolution, the finance director shall make necessary corrections in the city lien docket and send a correct notice of assessment by certified mail.

#### **12.05.090 Abandonment of Proceedings**

The council may abandon and rescind proceedings for improvements at any time prior to the final completion of the improvements. No assessment shall be imposed if improvements are not completed.

#### **12.05.095 Curative Provisions**

No improvement assessment shall be rendered invalid by a failure of any incompleteness or other defect in any engineer's report, resolution, notice, or by any other error, mistake, delay, omission, irregularity, or other act, jurisdictional or otherwise, in any of the proceedings or steps required by this chapter, unless the assessment is unfair or unjust. The council shall have the authority to remedy or correct any matter by suitable proceedings and action.

#### **12.05.100 Reassessment**

A. Whenever all or part of an assessment or reassessment for any local improvement is declared void, set aside for any reason, not enforced by a court or the council determines the assessments should be adjusted, the council may make a new assessment but shall not be required to repeat any portion of the procedure properly completed.

B. The reassessment procedures for making the new assessment will follow the same procedures used for the initial assessment under NMC12.05.050 and 12.05.085. The new assessment is not limited to the amounts included in the original assessments or to the property included within the original assessment if the council finds that additional property is specially benefited and subject to assessment.

C. Credit must be allowed on the new assessment for any payments made on the original assessment as of the date of payment. Interest on the original assessments must be included in the new assessment to the extent the new assessment includes amounts also included in the original assessment. The council will include interest as part of the overall assessable project cost. The amount will be based on the construction financing interest rate in effect and applicable to the district at the time of the original proceedings on moneys paid on the construction or financing of the project.

#### **12.05.105 Remedies**

Actions of the council under this chapter are reviewable only by writ of review.

#### **12.05.110 Interpretation and Coordination with State Law**

The provisions of this chapter shall be interpreted consistent with state law relating to local improvement districts and Bancroft bonding. When state law authorizes local governments to adopt standards and procedures different from those specified in the statutes, the city may comply with either this chapter or state statutes. To the extent that any standard or procedure is not governed by this chapter, the city shall comply with state statutes.

#### **12.05.115 Confidentiality**

To the maximum extent possible under the law, the applications, records and other information relating to deferments shall be kept confidential by the City.

#### **12.05.120 Appeals**

Owners of property against which an assessment or reassessment for local improvements has been imposed may seek a review of any council decision under the provisions of ORS 34.010 to 34.102.

DRAFT



**Wanda Haney**

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**From:** Amanda Phipps <aphipps@newportnewstimes.com>  
**Sent:** Monday, March 14, 2016 2:22 PM  
**To:** Wanda Haney  
**Subject:** RE: City of Newport Legal Notice - File 4-CP-14

Wanda,  
I have received your notice and they will be published accordingly.

Thank you,  
Amanda

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**From:** Wanda Haney [mailto:W.Haney@NewportOregon.gov]  
**Sent:** Friday, March 11, 2016 10:47 AM  
**To:** 'Legals'  
**Subject:** City of Newport Legal Notice - File 4-CP-14

Attached is a notice of a public hearing for our File No. 4-CP-14 for publication once on **FRIDAY, MARCH 18, 2016**, please. Would you please return an email confirming receipt of this notice & that it will publish on that day.  
Thanks,

*Wanda Haney*  
Executive Assistant  
City of Newport  
Community Development Department  
169 SW Coast Hwy  
Newport, OR 97365  
541-574-0629  
FAX: 541-574-0644  
[w.haney@newportoregon.gov](mailto:w.haney@newportoregon.gov)

## NOTICE OF A PUBLIC HEARING

The City of Newport Planning Commission will hold a public hearing on Monday, March 28, 2016, at 7:00 p.m. in the City Hall Council Chambers to review and make a recommendation to the Newport City Council on a Comprehensive Plan text amendment (File No. 4-CP-14). A public hearing before the City Council will be held on Monday, April 18, 2016, at 6:00 p.m. in the same location. A notice of that hearing will also be provided. The proposed legislative amendment is to the Goals and Policies Section of the "Public Facilities" element of the Newport Comprehensive Plan relating to Local Improvement Districts. The Newport Comprehensive Plan Section entitled "Administration of the Plan" (pp. 421-422) requires findings regarding the following for such amendments: A. Data, Text, Inventories or Graphics Amendment: 1) New or updated information. B. Conclusions Amendment: 1) Change or addition to the data, text, inventories, or graphics which significantly affects a conclusion that is drawn for that information. C. Goal and Policy Amendments: 1) A significant change in one or more conclusions; or 2) A public need for the change; or 3) A significant change in community attitudes or priorities; or 4) A demonstrated conflict with another plan goal or policy that has a higher priority; or 5) A change in a statute or statewide agency plan; and 6) All the Statewide Planning Goals. D. Implementation Strategies Amendments: 1) A change in one or more goal or policy; or 2) A new or better strategy that will result in better accomplishment of the goal or policy; or 3) A demonstrated ineffectiveness of the existing implementation strategy; or 4) A change in the statute or state agency plan; or 5) A fiscal reason that prohibits implementation of the strategy. Testimony and evidence must be directed toward the request above or other criteria, including criteria within the Comprehensive Plan and its implementing ordinances, which the person believes to apply to the decision. Testimony may be submitted in written or oral form. Oral testimony and written testimony will be taken during the course of the public hearing. The hearing may include a report by staff, testimony from proponents, testimony from opponents, and questions and deliberation by the Planning Commission. Written testimony sent to the Community Development (Planning) Department, City Hall, 169 SW Coast Hwy, Newport, OR 97365, must be received by 5:00 p.m. the day of the hearing to be included as part of the hearing or must be personally presented during testimony at the public hearing. Material related to the proposed amendment may be reviewed or a copy purchased at the Newport Community Development (Planning) Department (address above). Please note that this is a legislative public hearing process and changes to the proposed amendment may be recommended and made through the public hearing process and those changes may also be viewed or a copy purchased. Contact Derrick Tokos, AICP, Newport Community Development Director, (541) 574-0626, email address [d.tokos@newportoregon.gov](mailto:d.tokos@newportoregon.gov) (mailing address above).

*(For Publication Once on Friday, March 18, 2016)*



# LADY IRISH

Continued from page 1

said catcher Sierra Lundy.

"The expectation is the league title and the goal for us is to make it to state again. We're a well-rounded team that's going to do well this season."

Just like last season, the Irish should once again be strong at the plate. The team ed their league in runs scored ast year, and was the fourth best offense in all of 2A/1A. This year the Irish should be ust as potent if not more so with nearly the same exact ineup returning.

According to Browne, the team's biggest strength this season will be their infield, and like everything about the Irish this season, that assessment is based on the substantial experience and playing time the girls have together going into the season.

"We have a really strong, solid infield that is really solid," she said. "They know

pitching-wise, the team will rely on Lee and Abigail Caution to help get the team over the hump and deep into his year's postseason.

The Irish gave up 145 runs ast season, but if the team is going to make a jump into serious title contention, Lee and Caution are going to ave to help get that number down closer to the 100 or so uns the state's best team's allowed last year.

Standing in Waldport's way this season are three familiar rivals. To Reed-sport, and Gold Beach should all be in contention to win the league title.

Last season, against the best leagues best team's, Waldport proved it could beat anyone in handling league champion Gold Beach their only league loss of the season, but the team also showed they need to overcome some of the mental hurdles when facing elite opponents, which was evident in the team's three losses to ReedSport.

"ReedSport was always one of the teams that we always kind of choked every time," Caution said. "I know we're working hard to make something out of it when we play them."

The team's eight seniors, many of which have played together since sixth grade, realize this is their last chance together and are looking to carve out their place among the state's best.

"Last year, we went to the first round of state and they want to go back," Browne said. "They got that taste of it and we came away from that game knowing what we had to work on for this upcoming season. We got to see the number one team in the state and we're like, that's what we want to be. That's what we need to do."

So far, the Irish are off to a strong start with a come from behind win in their season opener against Perrydale, 7-5.

out of the state tournament in the opening round, 57-45. Fortunately, Marchant's

been looking at me and asking about me, but I'll see what happens after my mission."

Garage Sale Guide

Call Classifieds at 541-265-6080 to place your listing

For more details, see classified section category number 718

**TOLEDO ESTATE SALE**  
1817 CRITESER LOOP  
Friday, Saturday 10am - 4pm

**MOVING SALE**  
FRI & SAT. 10am - 4pm  
1343 NW Deer Drive, Look for signs from bypass 20

**NEWPORT SWEET ADELINES GARAGE SALE**  
Saturday - 9am - 3pm  
Something for Everyone!  
Lunch available for \$5

**NEWPORT LARGE ESTATE SALE**  
40 Years of Collecting!  
Saturday & Sunday, 8am - 4pm  
1722 NE Yaquina Heights

**OTTER ROCK ESTATE SALE**  
Saturday & Sunday  
9am - 4pm  
6835 Elle Avenue

**SOUTH BEACH JOIN ROGUE**  
In Celebrating SPRING BREAK! With HUGE DISCOUNTS on all things ROGUE!  
THRU Wednesday March 23rd  
11 AM - 7 PM  
2320 OSU Drive Newport OR 97365

**SOUTH BEACH AQUARIUM VILLAGE SPRING TREASURE QUEST**  
Saturday, Starting at 9:00am  
Store specials, poker walk, flea market...  
Come find your treasure!  
2925 SE Ferry Slip Rd.

**LARGE SALE**  
Friday - Saturday 9am-3pm  
Sunday 10am-2pm  
South end of Yaquina Bay  
Bridge, behind the Newport Candy/Chocolate Factory.

**SOUTH BEACH LINCOLN CITY ESTATE SALE**  
2470 NE Voyage Loop  
Friday & Saturday - 10-4  
Sunday 20 - 10-3  
First 45 in line admitted at 10am daily, charge cards welcome, Enter on North end of house for the huge basement area is where all the items are.  
Sale by Corvallis Antiques

**FREE garage sale signs**  
541-265-6080  
with your ad

## PUBLIC NOTICES

WEDNESDAY EDITION:  
5:00pm Thursday

FRIDAY EDITION:  
5:00pm Tuesday

### NOTICE OF SHERIFF'S SALE #18-0287

On March 31, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Room 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property community known as: 1280 Southwest Jefferson, Waldport, Oregon 97394. The court case number is 143622, GMAI Legal Trust 2014-1, LLC Bank National Association, as Legal Title Trustee, its successors in interest and/or assigns, plaintiff vs. Robin L. Helgeson, Corneia J. Helgeson, Oregon Affordable Housing Assistance Corporation, and Occupants of the Premises, defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregon-sheriffsales.org/county/lincoln/>, F-26, M-4, 11, 16 (56-18).

### NOTICE OF SHERIFF'S SALE #18-0277

On March 31, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Room 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property community known as: 200 NE Evergreen Lane, Yachats, OR 97498. The court case number is 15CV2068, Nantistar Mortgage LLC, plaintiffs vs. LKiona Beck, individually and as Constructive Trustee of the Estate of Kenneth E. Pinner, Unknown Heirs of Kenneth E. Pinner, Parties in Possession, defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregon-sheriffsales.org/county/lincoln/>, F-26, M-4, 11, 16 (56-18).

### sheriffsales.org/county/lincoln/ F-26, M-4, 11, 16 (56-18)

### NOTICE OF SHERIFF'S SALE #18-0286

On March 31, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Room 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property community known as: 551 Southwest 28th Street, Lincoln City, Oregon 97377. The court case number is 15CV18837, Federal National Mortgage Association ("Fannie Mae"), its successors in interest and/or assigns, plaintiff vs. Christopher Joe Reents; Olivia Beach Homeowners Association, and Occupants of the Premises, defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregon-sheriffsales.org/county/lincoln/>, F-26, M-4, 11, 16 (56-18).

### NOTICE OF SHERIFF'S SALE #18-0287

On April 6th, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Room 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property community known as: 200 NE Evergreen Lane, Yachats, OR 97498. The court case number is 15CV2068, Nantistar Mortgage LLC, plaintiffs vs. LKiona Beck, individually and as Constructive Trustee of the Estate of Kenneth E. Pinner, Unknown Heirs of Kenneth E. Pinner, Parties in Possession, defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregon-sheriffsales.org/county/lincoln/>, F-26, M-4, 11, 16 (56-18).

Marcel Joseph Besoudin aka Quentin Stanhope; Sherry Krueger aka Sherry Krueger; Oregon Department of Revenue; State of Oregon Employment Department; Carlos E. Gutierrez; Alma D. Gomez; and All Occupants of 833 SW 4th Ave, Lincoln City, Oregon; defendant(s). This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregon-sheriffsales.org/county/lincoln/>, M-4, 11, 16, 25 (54-25)

### IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN PROBATE

IN THE MATTER OF THE ESTATE OF: MARK F. GREFENSON, DECEASED.

NOTICE TO INTERESTED PERSONS NOTICE IS HEREBY GIVEN that the undersigned has been appointed Personal Representative of the above estate. All persons having claims against the estate are required to present them with proper vouchers to the undersigned Personal Representative at Evans Station, Attorney at Law, 906 - 13th Street S.E., Salem, Oregon 97302, within four months after the date of first publication of this notice, or claims may be barred. All persons whose rights may be affected by the proceedings herby are advised that additional information may be obtained from the records of the above entitled court. Personal Representative or the attorney for the Personal Representative. Dated the 29th day of February, 2016. /s/ NOEL GREFENSON, Personal Representative. M-4, 11, 16 (56-18)

### IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN PROBATE

IN THE MATTER OF THE ESTATE OF: MARY ANN BARBER; DECEASED.

CASE NO. 18PB01194 NOTICE TO INTERESTED PERSONS NOTICE IS HEREBY GIVEN that Scott Server has been appointed personal representative. All persons having claims

### NOTICE OF A PUBLIC HEARING

The City of Newport Planning Commission will hold a public hearing on Monday, March 28, 2016, at 7:00 p.m. in the City Hall Council Chambers to review and make a recommendation to the Newport City Council on a Comprehensive Plan amendment (the "Plan"). A public hearing before the City Council will be held on Monday, April 18, 2016, at 5:00 p.m. in the same location. A notice of that hearing will also be provided. The proposed legislative amendment is to the Goals and Policies Section of the "Public Facilities" element of the Newport Comprehensive Plan relating to Local Improvement Districts. The Newport Comprehensive Plan Section entitled "Municipal Services" of the Plan (pp. 421-422) requires findings regarding the following for such amendments: A. Data, Text, Inventories or Graphics that are current or updated information; B. Conclusions/Amendments: 1) Change or addition to the plan; 2) Change or addition to the plan; 3) Change or addition to the plan; 4) Change or addition to the plan; 5) Change or addition to the plan; 6) Change or addition to the plan; 7) Change or addition to the plan; 8) Change or addition to the plan; 9) Change or addition to the plan; 10) Change or addition to the plan; 11) Change or addition to the plan; 12) Change or addition to the plan; 13) Change or addition to the plan; 14) Change or addition to the plan; 15) Change or addition to the plan; 16) Change or addition to the plan; 17) Change or addition to the plan; 18) Change or addition to the plan; 19) Change or addition to the plan; 20) Change or addition to the plan; 21) Change or addition to the plan; 22) Change or addition to the plan; 23) Change or addition to the plan; 24) Change or addition to the plan; 25) Change or addition to the plan; 26) Change or addition to the plan; 27) Change or addition to the plan; 28) Change or addition to the plan; 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**MINUTES**  
**City of Newport Planning Commission**  
**Work Session**  
**Newport City Hall Conference Room A**  
**November 9, 2015**  
**6:00 p.m.**

**Planning Commissioners Present:** Jim Patrick, Lee Hardy, Gary East, Rod Croteau, Bill Branigan, and Bob Berman.

**Planning Commissioners Absent:** Mike Franklin (*excused*).

**PC Citizens Advisory Committee Members Present:** Dustin Capri.

**City Staff Present:** Community Development Director (CDD) Derrick Tokos and Executive Assistant Wanda Haney.

Chair Patrick called the Planning Commission work session to order at 6:00 p.m. and turned the meeting over to CDD Tokos.

**A. Unfinished Business.**

1. **Draft Changes to the Local Improvement District (LID) Code.** Tokos said he has started to receive materials from the consultant, and this seemed like an opportune time to bring this to everybody at this work session. He wanted to spend most of the time talking about policy language, but he said he'd be happy to go through the code as well. Tokos noted that this is a TGM State-funded project to help us rework our rules, but also to create a model that can be used by small jurisdictions statewide. LIDs haven't been used effectively, particularly in small jurisdictions. We also have a work group that Hardy and Franklin are assisting on. This technical advisory committee will be scheduling another meeting in the latter part of this month or in December. Tokos went over the Comprehensive Plan policies, which are as he received them. He really thinks the policies are the place to provide guidance on how this type of tool should be used. He thinks this is a little bit light. There should be some scope here. We could start by putting in policy language for how to deal with implementation. The subdivision code isn't supposed to be what this is about as far as the consultant's work. He noted that Policy 4 is about identifying the cost to support subdivisions; and Policy 6 similarly. It's suggesting approval without essential services in place. The city code has current rules that wouldn't allow land divisions without sufficient services. He said that Policy 10 goes in a similar direction getting into the relocation of infrastructure placed in rights-of-way or easements. Tokos said he's not saying that may be good or bad. There's probably a lack in the public facility elements now. He hopes the Planning Commission can help with this. He thinks Policy 8 is a key one, but needs work. He thinks this policy should be split to provide guidance on when to initiate LIDs; when should it be done. There is no guidance there; and he thinks there should be. That would not only help staff for knowing where to focus but also for the elected officials to decide how to use this tool. How do they go about deciding to proceed with one? Once they've held the public hearing and took testimony, are there factors they should be leaning on more than others to create a district to fund improvements.

Regarding emergency approval, possibly we want in the code that the Council could say there's an emergency, and it would trump the waiver of remonstrance. But what constitutes an emergency. That should be framed in the policies. Certainly the failure of a water line or asphalt in an area where there's maybe a dozen homes may be an emergency. There's also room for a fiduciary policy. The consultant didn't put any of those together. What assessments, what measures are favored over others? We need some language in there about financing. Do you use interest off the capital fund to catalyze an LID fund that people could tap into? There's room for what kind of financial exposure the City is willing to take.

Tokos said that Policy 7 seemed fine; it's just general scope of different funding tools the City can tap into for maintaining public facilities. He wondered if LIDs are just a tool of last resort. Should it be framed that way? You can pad together funding if you need to do other things; urban renewal, loans, revenue bonds. If you're down to the last \$50-100 thousand, should that be used to make a project go?

Branigan said if a group gets together and requests an LID, then the question is who controls what they do. They would have to get funding. He assumes the property owners themselves must have some sort of loan they get to make the improvements. Hardy thought they would finance it as a line of credit on their mortgage. She said if this can be "not to exceed 30% of the value of the property," you're looking at big bucks. She would say most can't do it. Tokos said it's correct that property owners can approach the City. The City helps administer it. Hardy said if you have two scopes of work, who has the final say. Tokos said that's a good policy consideration. How should we approach something that doesn't meet the TSP? If it's just a partial improvement, should the policy be that the City initiates for something that is less than the standard. How do we decide what's appropriate? Hardy said some are hinged on other projects. Tokos said his sense is to set the policies up so that we do not allow LIDs to proceed for improvements that don't meet the TSP. If you take it through the TSP, it gets adopted in. But on an ad hoc basis, it

puts the City Engineer in a pickle because then he has to auger out if it's okay in a vacuum. Branigan asked if property owners get together and want to do an LID and the City Engineer says they can do this or that, does the City Council still have to get in and approve an LID. Tokos said yes because it's public it's designed, constructed, and held in perpetuity. It's not like it's a private shared water line; you're coming in to replace a public water line along a local street that the City has to maintain. Croteau said it ends up public, and the City has the ultimate responsibility so it has to set standards for doing it and for financing as well. He agreed that this document is a little light on those aspects. He wondered what this was supposed to do; just present an overview of intent. Tokos said there are a couple of documents; two that would be code-related, and another that is administrative. The policy memo he emailed to the Commissioners. This he thinks needs a lot of work. We need more policies. The code would be redrafted and there would be the actual ordinance that we would implement the LIDs with, which would be far more detailed as it should be. It gets into details. Tokos planned to spend time on that; but getting back to the Comprehensive Plan, he asked if the Commissioners had any other observations about policy direction or areas that should be concentrated on.

Hardy asked if you'd use the same for pre-existing versus new. She thought they almost need to be approached differently. In a subdivision, you're starting with bare ground and theoretically a financially-capable developer. In a pre-existing neighborhood, it can be a combination of variable qualities of services, a variety of age. It's more complicated when you're looking at improving something that already exists as opposed to new. Patrick said he's not sure why we'd be doing LIDs for brand new subdivisions. Tokos said that strikes him as a developer's way of getting the City to finance the infrastructure. Capri said there's a development on 68<sup>th</sup> Street where that's essentially what the developer did. Tokos said for that particular development that strikes him as a failure of the land division code, which is to ensure that there are enough improvements so that when you buy a vacant lot you can do what you actually want without having to extend sewer or water mains. The buyer should just be responsible for building their home and their own service line; nothing beyond that. That is the developer financed aspect of it. We don't have to allow that. Patrick said the City's been burnt by that before; twice in Lakewood and once in Candle Tree. He said the other one was Running Springs that went back to the bank, and the City wasn't in that. Tokos asked, so you would like to see some language? Patrick said unless under some scenario; maybe if it's possible to do affordable housing, but anything normal then no. Croteau asked if a planned development thing is what he's thinking. Capri asked if the City contributed in Wilder. Tokos said Urban Renewal contributed at 40<sup>th</sup> and 101. That's a collector road. They didn't look at the City to help them finance anything. Capri asked if they came in in the first place asking the City, it wouldn't have happened. Tokos said no; where we did contribute it was Urban Renewal. OMSI is an example. There was a partnership there, which is a common tool with Urban Renewal. Croteau asked if an LID is a viable mechanism for an affordable-housing-type project as Patrick had mentioned. Patrick said he sees a possibility where it could be used like that. Tokos said we could build that in, or we could use something else; we could do it with Urban Renewal. He expects that conversation in Agate Beach. Berman said, but you're restricted to the current Urban Renewal area. Patrick said you don't do new subdivisions under Urban Renewal. Tokos said you could absolutely use Urban Renewal in subdivisions. There's no reason it couldn't be used for local streets, too. It can be done; he's not saying that's what should be done. Berman said that's not like an LID, which can be used anywhere. Tokos agreed, only in the Urban Renewal area. Patrick thinks LIDs shouldn't be used for new subdivisions. He can't think of a good reason to hang the City out there. He said the City has to come up with financing and get money back out of it. Tokos said we basically fund the construction. We have to find a way to pay for it. With this set up, that would happen. He thinks more work is needed on it to create an LID fund that generates interest off other capital.

Capri asked how property owners pay into the fund. Tokos said when they pay their share, that would be revenue allocated to that specific project, or revenue that would go into that LID fund. We have to budget for the project. We have to make sure there's enough of a balance to cover the cost of construction, the LID is formed, and then we wait to get it paid back into that fund. Capri asked if it's paid from their taxes or if they write a check. Tokos said they write a check, or we lien their property and get paid when they sell. If it's as a lien, we could be sitting there a very long time before we recover that. That's the danger of up-fronting all of that; it takes time to get paid. Croteau asked if we couldn't do a payment schedule. Tokos said yes, pay up front with a payment schedule. He said it has to be paid up front, so the money has to come from somewhere. Capri asked about where the City gets their money if they have to lien ten of twelve. Patrick said wait for them to sell or they die. Tokos said they are hit with interest; but in the lien scenario it's outstanding for a while and we don't know when it's coming back in. Croteau said the City's hanging out there until everybody pays up. Patrick said if it can be 30% of the property value, a lot of people will walk away. Hardy said look what that does to property values. They have a pre-existing mortgage, a declining market, and this lien. She said somebody will get burnt. Patrick said that's what happened in the past. Capri asked if any worked out well. Tokos said yes. The intention is that it would be smaller stuff. The last one was a sewer extension for a half dozen homes off Vista. Small ones work out better. It's desirable for some folks. Tokos said in that area south of Southshore where the developer sold the lots and walked away, and they don't have adequate access, there is one property owner trying to get an LID. Capri said they don't have adequate water, road width and grade, turnaround, septic, and they need a geologic survey. There are five property owners. The lots got sold. His clients bought thinking they were going to be able to build right away. One owner's been working on the issue for twelve or thirteen years. Tokos said that gives a good sense of how difficult it is for individuals to organize an LID. If the City Council initiates it, that drags everybody in for a conversation at that point. He thinks there needs to be policy language when that power is exercised. He thinks the City Council would appreciate that. Berman said it's a huge power. If it can be up to 30%, think how much money could be involved. He wouldn't be amenable if the City Council decided his neighborhood needs sidewalk. He would fight it. He wondered if he would have no basis for fighting it. Tokos said that

gets at what constitutes an emergency. A property owner can otherwise remonstrate against it if they haven't already signed a waiver to opt in as part of a development. Berman asked how he would know. Tokos said when you buy your property, it shows up in the title search. He said he thinks it's highly unlikely that a sidewalk would constitute an emergency. Berman said there's been talk about a signal at NE 73<sup>rd</sup>. If that's through an LID, he may get forced to pay for that. Tokos said what if there are fatalities at that intersection. He could see that as an emergency. East said he was surprised the Fire Department didn't ask for a signal when they put their station up there. Tokos said we have business owners on the hook to pay for the signal. There were some residential owners, but they were time limited. There was a ten-year period that has passed. So most are just industrial property owners. Tokos said he could see public safety being a good reason to initiate an emergency. He said the same for chronic. Along the golf course, the water lines keep breaking all of the time. An LID could be formed to replace the water lines because it serves a limited number of residents. That's the type of thing where property owners will say they will pay money because they're tired of being without water. Croteau said it could be that we incorporate examples of what constitutes emergencies; traffic safety, infrastructure collapse. Patrick added, failure of the roadbed. Capri said the water is a big one for fire safety as well; fire hydrants. Tokos also thought public health. Patrick asked, like a broken water line. Tokos said that would be infrastructure failure. Collecting storm water could be a health hazard because of mosquitos. Patrick thought that sidebars on emergencies should be listed.

Tokos asked if the Commissioners agree that policies regarding subdivisions and partitions isn't what we are talking about right now. The consensus was that they didn't think so. Patrick said there might be a case for minor partitions. Tokos didn't think we were talking about LIDs in the context of these either. It's more of a land use tool. LID is just the financing. Tokos said he has noted the emergencies we just talked about, and clear policy for when the City Council should initiate an LID. Croteau said decision-making criteria. Tokos said, define how to proceed. Croteau said and fleshing out finances. Patrick said, and when it's owner-driven, what the forms of LIDS are. Capri mentioned fire equipment turnarounds. He said there are a lot of streets that don't meet what the Fire Marshal and the code would now say. He said the trucks keep getting bigger. Tokos said he could see an emergency to be hammerheads where they have repeat calls and have difficulty getting access. Capri asked if the development on 68<sup>th</sup> that we talked about would qualify for an LID. Tokos said certainly, if the owners can get organized. East asked where the breaking point is if all of the homeowners don't want to participate. Tokos said there's some discussion about owner-initiated LIDs that gets to how many property owners it takes. Patrick thought it was 50% plus one.

Tokos said that's another question. What's the relative priority when someone files a petition? He said some of this isn't easy. The City Engineer has to prepare a cost estimate and plans. It takes a dedication of resources. He wondered if there should be a policy for relative priority. He said the policy could say "addressed by the Public Works Director as resources permit" unless it's an emergency. Tokos said that gives him, the City Council, and the Public Works Director direction on how to apply LIDs. Patrick said if it's owner-initiated and they have a failed sewer line, they could declare an emergency and get moved to the head of the list from that side too. Tokos wondered if the policy should be that if it's an emergency it becomes priority; and others are as resources permit. Hardy asked if something like that occurs, why it wouldn't be the City's responsibility to step up and fix it. Tokos said there's fixing; and then really fixing it. The City would patch it, and it comes out of the maintenance fund. We can't do a full fix given the maintenance budget. Patrick said, say 32<sup>nd</sup> was the only way to ten or twelve residences, and the road slipped. If the City made it one-way, that wouldn't be popular with the owners down there. Berman asked what the typical time cycle would be. If they walk in with an emergency and all neighbors agree, when would the equipment roll? Tokos said it will take some time. If it's an emergency and we're moving really fast we could probably have a cost estimate and concept-level plans within a week if Public Works drops everything else. If it's an emergency we could immediately hire contractors; otherwise we have to put it out for bid and are looking at four to six months. Croteau said you have emergency emergencies and long-term emergencies that need a permanent fix; like when it's obvious that you can't continue paving. Capri said maybe it shouldn't be labeled emergency. Maybe high priority fixes. Tokos said we might need to take a look at the statutory language; we'd have to use the same references. Branigan said a water or sewer break would be an emergency; but if it's a real emergency the City will patch it. So he questions whether property owners are going to try to form an LID. Croteau said not after the first time, but after chronic failure. Branigan said the City is paying for repairs so eventually will do an LID, but he doesn't think the property owners will. Croteau said if your basement fills with sewage three times in a year, you'll look differently at the picture.

Tokos noted that there was some time to begin going through the structure of the code. He said again, as the Commissioners have observations to please let him know and he will share them with the consultant, Todd Chase. Branigan asked if the consultant has done work for other municipalities; and if so, have they done anything for this code. Is there something to take a look at? Tokos thought that was Chase's approach. He's sure for this Chase borrowed from a lot of jurisdictions. This was his initial cut. Tokos said the first part is typical for a code. Then it goes through definitions. Hardy had a question under section 5 of 12.05.010 where it mentions "overall citywide benefits." She asked how you quantify that. It says at least 25% benefit accruing to city residents if improvements enhance property. She said now you're back to benefitting people. She thinks Chase floats between those two concepts; and they are entirely different. Tokos said there are different ways of looking at this benefit; and it might be worthwhile to define that in the context of the LID code. It could mean enhance its value, improve service; if you're looking at the broader community, maybe a section of a gravel road. Maybe it's a commonly driven street that a large percentage of the community uses. Patrick said that doesn't strike him as being right for triggering this. Hardy said there are areas that were annexed at different times and have different conditions. You can't use a one-size fits all; you have to make it

specific. Tokos gave an example of a collector street parallel to 101 that you're able to construct except for the last 200 feet, and the broader public uses it. To fund that last 200 feet, you need to form an LID. You could make the case that the broader public would benefit. Patrick said this is saying that you can do an LID if 25% is attributable to the public. He said that would be a reason to use other funds. He doesn't see this tracking as a triggering mechanism for an LID. Hardy said, like Urban Renewal. Tokos said it could be a question of what constitutes benefit.

Going back to the definitions on the first page, Branigan had a question about the timeline in number three. Tokos wondered why even have that in the definitions. Branigan didn't understand why that was in here. You have to pay it all or pay over ten years. Patrick agreed, you can pay over ten years but not in three. He wondered why string it over ten years. Branigan said it didn't make sense. Tokos wasn't sure why it was in the definitions.

Moving on to 12.05.015 (Engineer's Report), Tokos noted that Tim Gross and company would have to put this together to have an informed conversation whether or not an LID should occur. Capri asked where you come up with a realistic cost estimate without knowing the design. Tokos said we have to do preliminary cost estimates for lots of different things. We're pulling from past experience with like-type projects, or we contact other jurisdictions that have done something similar. When you're pulling from the TSP or facility plans you know what you are putting together. Berman wondered if there's some way to come up with better estimates than they did for the water treatment plant and the swimming pool. Tokos noted that the water treatment plant was before Gross' time, and he didn't pull the cost estimate together for the pool; that was Parks and Rec. Gross was only involved in the design. Tokos said there are provisions that should be in here to deal with when actual costs come in in excess of estimates so that you're not on the hook to commit. He's not sure what percent of the estimate. Patrick wondered if Tokos has talked to Gross about how much it costs them to do this work. Tokos said that's one thing we should think about. By and large this work is handled in-house and not farmed out. Patrick said there's still cost associated; and he would be interested in how much. If it's owner-initiated, and Engineering goes to all this trouble; maybe the City should get reimbursed for it. East said if it's owner-initiated, maybe they should be responsible for all engineering costs. Tokos said say it's owner-initiated and meets the threshold. So Engineering puts all this work in and there's the City Council's time. Then the owner changes his mind and it gets remonstrated. Should there be some reimbursement? Is that getting at it? The consensus was, yes. East said that way the City is just looking at it and approving the plans; and the owners are on the hook for the scheduling costs. Patrick said also then they can do it outside the City. Capri said we'd have standards. Is there a fee associated? Tokos said that's what we are talking about; at least administrative costs if the LID doesn't proceed. East said if they did everything privately on their own, the additional cost when it comes to the City would be like a plan check or approval; not the full engineering fee. Tokos said he will take a look at it.

Tokos explained that 12.05.020 says what the City Council can do with the engineer's report. He said it allows the body to make sure what is in that report is what they want. This would be more if it's City Council initiated. Capri asked if the Council knows enough about criteria one through six to make any changes. Tokos said conceptually maybe they don't, but they can decide if it makes sense to move forward when they have the scope and the cost. They have the right to stop it. Capri said it says here that the Council can change the report and then approve it. Patrick said there should be some room for the City Council to do certain things; like say the scope will be this rather than this. Tokos agreed that to say something like the Council can direct that it be modified and brought back would make sense. He said that's a good point.

Because time was running short, Tokos suggested tabling the review of the rest of the code until the next meeting. He can get a revised set of the Comprehensive Plan for the Commissioners to look at.

**B. Adjournment.** Having no further time for discussion, the meeting adjourned at 6:57 p.m.

Respectfully submitted,

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Wanda Haney  
Executive Assistant



**MINUTES**  
**City of Newport Planning Commission**  
**Work Session**  
**Newport City Hall Conference Room A**  
**November 23, 2015**  
**6:00 P.M.**

Planning Commissioners Present: Jim Patrick, Lee Hardy, Rod Croteau, Bill Branigan, and Bob Berman.

Planning Commissioners Absent: Gary East and Mike Franklin

City Staff Present: Community Development Director (CDD) Derrick Tokos, and City Recorder Peggy Hawker.

Also in attendance were Todd Chase and Tim Wood from the FCS Group.

Chair Patrick called the Planning Commission work session to order at 6:00 P.M., and turned the meeting over to CDD Tokos.

**A. Unfinished Business**

**1. Continued Review of the Draft Changes to the Local Improvement District (LID) Code.**

Tokos reported that the packet contains a copy of the cover memo from the FCS Group dated October 21, 2015, along with the draft set of amendments to Chapter 12.05 of the Newport Municipal Code outlining the rules for forming Local Improvement Districts. He stated that he has added the comments provided by the Commission before the end of the November 9 work session. He added that at this meeting, he hopes to complete a review of the draft code so that he can get comments back to the consultant.

Tokos reported that he passed along the Commission's feedback on the draft Comprehensive Plan policies, and noted that the FCS Group was unable to get a revised draft for Commission review at this meeting. He summarized the comments:

- a. Some of the policies seem to be outside the scope of what we are trying to accomplish with the LID update. Namely, the proposed addition to Policy #4, Policy #6, and Policy #10. The first two relate to subdivisions and partitions, and the last pertains to where public improvements are to occur. He noted that the Commission would like to see the policies focused on providing decision makers and staff on how to utilize Local Improvement Districts as a funding tool.
- b. Recommended Policy #7, but why the reference to "essential" public services. Wouldn't this be applicable to public services generally?



- c. Policy #8 is good, but it might be better framed as two different goals. The first should provide policy guidance to staff and decision makers on circumstances for when the city should initiate an LID. The first sentence starts to get at this, but there should be other factors. Another, separate policy should provide decision makers guidance for deciding to proceed to form an LID. The second part of Policy #8 lists considerations. It needs to go a step further and articulate when the considerations should be viewed to be compelling enough that the city should proceed.
- d. A policy is needed for how to respond to LID petitions. When should a petition be prioritized for action, or should there be a general policy that the city will respond to a petition and begin work on a preliminary engineer's report when resources permit.
- e. What constitutes an "emergency?" There were strong feelings that policy sidebars are needed here since this is a tool that could trump a landowners' ability to remonstrate against an improvement. There was general consensus that failed or chronically failing infrastructure fits the bill. A compelling, broader public interest might fit as well, but would need to be clearly framed. Recommendations from the City Engineer, or a facility plan, might be an appropriate authority that decision makers can lean on to establish that infrastructure is chronically failing.
- f. Policy directions should be provided for LID petitions that seek to do less than full improvements. There seemed to be general consensus that a street improvement should conform to the Transportation System Plan or align with what exists on the ground to either side of the improvement.
- g. There should be fiduciary policies that provide direction on appropriate assessment methods and financing of assessments. What kind of tolerance or "risk" should the city take on up fronting costs? There was general consensus that this type of policy should be conservative and minimize risk.
- h. For LID petitions that are filed, but ultimately do not proceed, should there be a policy objective to recover costs in preparing the Preliminary Engineer's Report? It would be helpful to have a cost recovery policy.

Chase reported that the FCS Group attempted to draft a document that would provide policy direction to the City Council and future staff to utilize limited resources. He added that this is an opportunity to organize what will happen with more LID requests. He stated that the document organizes requests into three areas, including: petitions; resolutions without a petition; and the initiation of LIDs in general. Branigan asked whether there are other policies to consider. Chase noted that a consideration is when to use a reimbursement district in lieu of, or in conjunction with, an LID. He added that a reimbursement district does not constitute a lien on a property.

Chase stated that it would be beneficial for the city to have a five-year CIP so that Council can think about the highest priorities for a five-year period. Tokos noted that while the city

does not have a formal five-year CIP, it does have a rolling list of funded capital programs, some of which carry over from year to year.

Croteau asked whether there is a "how to" for citizens to initiate an LID through petition. Tokos noted that part of the plan will include a "how to" document, but that the code needs to be put in place first. He added that citizens tend to initiate LIDs when there is a need.

Hardy asked how much people understand about LIDs. Croteau noted that the city should be able to provide information on this subject. Tokos stated that part of this project is to make LIDs a viable option.

Chase reported that the city could match URA funding with an LID or a reimbursement to stretch dollars.

Tokos reported that, rather than authorizing an individual staffer to take the lead on these projects, it should be driven by circumstances. Patrick asked what happens if a homeowner wants a project that is not listed, by the city, as a high priority. Berman asked how much staff effort it takes to design a street, and Tokos noted that it takes a fair amount of time. Berman asked how a petition is evaluated without a cost estimate. Tokos noted that a key point is relative support, and questioned whether there should be a higher bar to become a priority. Patrick noted that the engineer will prepare a report. Chase stated that the costs of the report should be included in the LID and the application for the LID. Tokos suggested that a high priority project should include 75% of the property owners. Hardy noted that square footage may not mean anything, adding that she would like to the rationale more rational. Croteau asked what happens if a petition is submitted, a cost estimate is prepared, and the petitioner backs out. Chase recommended that the city consider a fee. Tokos stated that the policy will contain an expectation of a cost recovery component. Patrick asked how reliable cost estimates are, and Tokos noted that they are pretty good due to the expanse of projects. He added that the policy needs to include language that allows a fee. Patrick noted that a back-up could be "as resources permit." Chase suggested that a proposed LID may be a priority with 75% support, and resources permitting, will prioritize those petitions that meet the following criteria: 75%; and 50% to 75%.

A discussion ensued regarding the emergency provisions in instituting an LID, and specifically the second bulleted item under Policy 6B. Chase suggested that the check list could be completed quickly, and the more check marks would equate to a higher score/priority, and if two or three of the items were met, the issue could move forward for an engineer's report. A discussion further ensued regarding the timing of using URA funds for an LID in an emergency. Chase noted that these criteria would be used for screening, and projects that rise to the top would be moved up the priority list. Tokos suggested an override of remonstrances in the event of an emergency. It was noted that if there is no policy guidance, the emergency could be discretionary. It was suggested that policy sidebars be developed as to how power is used, even to the point of describing what an emergency might look like. Croteau noted that there are two types of emergencies; one being chronically failing; and the other being a real emergency. Tokos asked whether the City Council should have the ability to add an emergency. Hardy recommended looking at issues from a budget standpoint. Chase noted that citizens might decide that something

is an emergency. Hardy stated that there would be no dispute if the words are clearly defined. Tokos suggested language that provides the City Council with the authority to declare an emergency, and override remonstrances, in emergency situations. Hardy mentioned the nature of the area benefitted. Tokos provided an example of a benefitted area in looking for solutions to the City Center traffic issue, and noting that a change to a collector street, and pulling together to get the most funding, could justify an LID. Chase stated that if the area of benefit is broader, there would be more benefits. He suggested a checklist to determine priorities before a project is elevated to the next level for an engineer's report. Tokos stated that he would rather not have the checklist references in the policy, but noted that the first few bullets make sense. He added that anything initiated by the city must be by the City Council. Chase stated that before there is direction from Council to prepare an engineer's report, it would be good to know if the parameters apply. Tokos added that details in a city-initiated LID should be code driven, as long as it is clear what factors should be considered when initiating. Chase suggested combining the requirements into one set of parameters, with the emergency information in the general policy.

A discussion ensued regarding Policy 6C. Chase noted that the city needs to limit risk as it is financing the LID projects. He added that the engineer would make the call regarding the unknown construction risks. Tokos addressed the funding of LIDs. He noted that before the city allows a deferment, it must have a fund in place that demonstrates financial wherewithal. Chase suggested that the city would create a fund for any new LID, by seeding the fund from a variety of sources prior to deferring the cost of the project. He added that every LID should have its own fund. Chase stated that he would take a stab at reworking the fiscal policy. Tokos stated that it would be helpful to have this guidance at the policy level. Chase noted that the policies can be looked at after direction to form an LID. Patrick stated that the payer can spread LID payments over time. Tokos added that the city must have the resources to pay up front. He stated that a priority project would be 100% financed. A discussion ensued regarding how to handle, for example, an LID if someone only wanted to pave a street, and whether to perform the project based on the TSP, or align with what is on either side. It was suggested that this type of "interim" project may be approved provided the project could be upgraded to city standards without excessive costs.

Tokos stated that the next work session would be held on December 14, 2015.

B. **Adjournment.** Having no further business/time, the meeting adjourned at 7:05 P.M.

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Margaret M. Hawker, City Recorder

**City of Newport  
Local Improvement District (LID) Initiative  
ODOT/TGM Project**

**Technical Advisory Committee**

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<b>Adam Denlinger</b>	<b>Seal Rock Water District</b>
<b>Mike Franklin</b>	<b>Planning Commission Small Business Owner</b>
<b>Tim Gross</b>	<b>Newport City Engineer</b>
<b>Lee Hardy</b>	<b>Planning Commissioner Yaquina Bay Property Management</b>
<b>David Helton</b>	<b>Oregon Dept. of Transportation</b>
<b>Don Huster</b>	<b>Private Developer</b>
<b>Mike Murzynsky</b>	<b>Newport Finance Director</b>
<b>Linda Pilson</b>	<b>Lincoln County Treasurer</b>
<b>Steve Rich</b>	<b>Newport City Attorney</b>

**Wanda Haney**

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**From:** Amanda Phipps <aphipps@newportnewstimes.com>  
**Sent:** Wednesday, April 06, 2016 10:16 AM  
**To:** Wanda Haney  
**Subject:** RE: City of Newport Legal Notice - File 4-CP-14

Wanda,  
We have received your notice and we will publish accordingly.

Thank you,  
Amanda

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**From:** Wanda Haney [mailto:W.Haney@NewportOregon.gov]  
**Sent:** Tuesday, March 29, 2016 4:32 PM  
**To:** 'Legals'  
**Subject:** City of Newport Legal Notice - File 4-CP-14

Attached is a notice of a City Council public hearing for publication once on **FRIDAY, APRIL 8, 2016**, please. Would you please confirm by return email that this notice was received & that it will publish on that date.

Thanks as always,

*Wanda Haney*  
Executive Assistant  
City of Newport  
Community Development Department  
169 SW Coast Hwy  
Newport, OR 97365  
541-574-0629  
FAX: 541-574-0644  
[w.haney@newportoregon.gov](mailto:w.haney@newportoregon.gov)

## NOTICE OF A PUBLIC HEARING

The City of Newport City Council will hold a public hearing on Monday, April 18, 2016, at 6:00 p.m. in the City Hall Council Chambers to review a Comprehensive Plan text amendment (File No. 4-CP-14). The proposed legislative amendment is to the Goals and Policies Section of the "Public Facilities" element of the Newport Comprehensive Plan relating to Local Improvement Districts. The Newport Comprehensive Plan Section entitled "Administration of the Plan" (pp. 421-422) requires findings regarding the following for such amendments: A. Data, Text, Inventories or Graphics Amendment: 1) New or updated information. B. Conclusions Amendment: 1) Change or addition to the data, text, inventories, or graphics which significantly affects a conclusion that is drawn for that information. C. Goal and Policy Amendments: 1) A significant change in one or more conclusions; or 2) A public need for the change; or 3) A significant change in community attitudes or priorities; or 4) A demonstrated conflict with another plan goal or policy that has a higher priority; or 5) A change in a statute or statewide agency plan; and 6) All the Statewide Planning Goals. D. Implementation Strategies Amendments: 1) A change in one or more goal or policy; or 2) A new or better strategy that will result in better accomplishment of the goal or policy; or 3) A demonstrated ineffectiveness of the existing implementation strategy; or 4) A change in the statute or state agency plan; or 5) A fiscal reason that prohibits implementation of the strategy. Testimony and evidence must be directed toward the request above or other criteria, including criteria within the Comprehensive Plan and its implementing ordinances, which the person believes to apply to the decision. Testimony may be submitted in written or oral form. Oral testimony and written testimony will be taken during the course of the public hearing. The hearing may include a report by staff, testimony from proponents, testimony from opponents, and questions and deliberation by the City Council. Written testimony sent to the Community Development (Planning) Department, City Hall, 169 SW Coast Hwy, Newport, OR 97365, must be received by 5:00 p.m. the day of the hearing to be included as part of the hearing or must be personally presented during testimony at the public hearing. Material related to the proposed amendment may be reviewed or a copy purchased at the Newport Community Development (Planning) Department (address above). Please note that this is a legislative public hearing process and changes to the proposed amendment may be recommended and made through the public hearing process and those changes may also be viewed or a copy purchased. Contact Derrick Tokos, AICP, Newport Community Development Director, (541) 574-0626, email address [d.tokos@newportoregon.gov](mailto:d.tokos@newportoregon.gov) (mailing address above).

*(For Publication **Once on Friday, April 8, 2016**)*



keep in touch," she said. "It's nice to see that there doing really good."

When asked if she had a message for the Newport

ing hard. The harder you work the more you'll get out of it. It doesn't if you be the hardest worker in the room."

So far, Vinjamuri's hard

Portland State track team is reaping the benefits. Her next meet will be on Friday, April 8, at the John Knight Twilight meet in Monmouth.

much damage, giving up two runs in the inning.

The fifth would prove Clatskanie's best chance to catch Taft, as the Tigers offense allowed just one more run over the final six outs to

bark on a two-game road trip, starting on Thursday, April 7, at Salem Academy (results not available as of press time). The team will then get back into league play on Friday, April 8, at Willamina.

Palermi, who is in their first comp rounds.

"Overall, I'm really happy about the progress we made today," Hattson said. "These athletes are starting to understand the game."

## LEAGUE WIN

Continued from page 1

Back-to-back singles from Trachsel and Alex Kaiser followed Bayya's hit. The Warriors concluded their four-run inning with hits from Howell, and a double by Kelsey Nelson.

With their lead cut to just one run, Rilatos responded for the Boomers in the bottom of the fifth with a two-run double.

In sixth inning, the Warriors completed their comeback with three runs to tie the game. From there, Trachsel and the Warriors defense would retire the side in order.

With the game tied in the top of the seventh, Halia But-

ler turned her leadoff walk into the game-winning run, scoring on a sacrifice ground ball.

"We just kept telling them they can't give up," Siletz Head Coach Bristo Bayya said. "Never give up, you're never out of a game until that last pitch, that last out. They just fought back."

Over the final two innings, Trachsel was at his best. The sophomore pitcher got outs from six of the final seven batters she faced.

"It's stressful. It's hard knowing that the game is going to rely on the pitching, but the defense really stepped up," Trachsel said.

"I'm glad I have that defense behind me that will make all those outs. I just got

to worry about getting it over the plate."

With their first-ever league win recorded in the standings, Siletz (4-2, 1-2) looks for another victory when they travel to Reedsport (4-2, 3-0) on Friday, April 8.

The Boomers (4-6, 1-2) aim to rebound from their loss with a non-league, home game on Saturday, April 9, against Oakridge (1-6).

"Siletz is a good hitting team. We got on them early with eight, and then our bats just kind of fell asleep. We just needed to dig a little deeper and try to fight that adversity," Toledo Head Coach Mickey Keeney said.

"It was a frustrating day in all aspects of the game. These girls will bounce back."

## CUBS TRACK

Continued from page 1

Beandry also bested his previous record in the discus throw with a first place toss of 147 feet, 4 inches. He capped off his day with a win in the shot put at 47 feet, 10.25 inches.

In the triple jump, Adrian Frasier launched further than he ever has with a first place leap of 39 feet, 0.50 inches. Frasier would also win pole vault (12 feet).

On the girls' side, freshman Izabella McLane continued to impress as she took the 100-meter dash with a time of 13.61 seconds. McLane also set a new best time in the

300-meter hurdles with her second place finish at 50.24 seconds.

Isabel Solano raked in a trio of individual wins and also a win in the 4x400-meter relay. Solano topped 9 feet, 8 inches in pole vault to win the event, and set a personal best height.

She also finished first in the 300-meter hurdles with a season best time of 49.74 seconds, and first in the high jump (4 feet, 8 inches).

Tehya Woodruff's first place throw of 107 feet, 4 inches in the javelin set a new precedent for the junior.

The Lady Cubs will also win from Macy Rabourn in the 400 meters (71.84 seconds), Maria Smith in the 800 meters (2 minutes, 53.40 seconds), and Brianna Folkers in the 100-meter hurdles (18.64 seconds).

First place finishes were also recorded by Destiny Martinez in the discus (109 feet, 4 inches), Natalie DeWitt in the triple jump (29 feet, 4 inches) and Kristi Brazile in the long jump with a season best leap of 14 feet 5 inches.

"It was a really good performance," Hargett said. "Our kids are progressing right along."

The Cubs will be back in action on Friday, April 8, when they host The Great White Invite, which will include Taft and Eddyville.

## PUBLIC NOTICES

**LEGAL DEADLINES**  
WEDNESDAY EDITION:  
5:00pm Thursday  
FRIDAY EDITION:  
5:00pm Tuesday

**NOTICE OF SHERIFF'S SALE #18-0386**  
On April 18, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 1545 E. MUNICH BEACH, GLENDEN BEACH, OR 97388. The court case number is 131982, EVERBANK, INC. vs. The Estate of Warren R. Goodman, Deceased, Manny Sandoval, Mervyn Sandoval, Unknown Heirs and Devises of Warren R. Goodman, Deceased, and persons or Parties Unknown Claiming Any Right, Title, Lien, or Interest in the Property Described in the Complaint Herein (defendants). This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-18, 25, A-1, 8 (74-78)

**NOTICE OF SHERIFF'S SALE #18-0405**  
On April 18, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 1905 NE Tide Avenue, Lincoln City, OR 97137. The court case number is 150V12051, HSBC Bank USA, National Association as Trustee for Merrill Lynch Mortgage Investors, Inc., Mortgage Backed Securities Trust, Certificates, MANA Series 2007-AF1, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-18, 25, A-1, 8 (77-78)

**NOTICE OF SHERIFF'S SALE #18-0432**  
On April 18, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 179 SE Surf Ave., Lincoln City, OR 97137. The court case number is 150V23771, Deutsche Bank National Trust Company, as Trustee for Morgan Stanley Home Equity Loan Trust 2007-1, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check,

in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (88-15)

**NOTICE OF SHERIFF'S SALE #18-0440**  
On April 28, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 217 N. Pony Trail Lane, City of OR 97388. The court case number is 150V21212, Carrington Mortgage Services, LLC, Plaintiff vs. Kathleen E. Davidson, Terry R. Davidson, State of Oregon, Department of Revenue, and Persons or Parties Unknown Claiming Any Right, Title, Lien, or Interest in the Property Described in the Complaint Herein (defendants). This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (89-15)

**NOTICE OF SHERIFF'S SALE #18-0433**  
On April 28, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 1905 NE Tide Avenue, Lincoln City, OR 97137. The court case number is 150V09711, Langen-Decker, and All Other Persons, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (90-15)

**NOTICE OF SHERIFF'S SALE #18-0442**  
On May 5, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 1919 Cleveland Avenue, Toledo, Oregon 97381. The court case number is 131978, Federal National Mortgage Association, its successors in interest and/or assigns, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (90-15)

**NOTICE OF SHERIFF'S SALE #18-0443**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0444**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0445**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0446**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0447**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0448**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0449**  
On May 3rd, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0506**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0507**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0508**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0509**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0510**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0511**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0512**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0513**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0514**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0515**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0516**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0517**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0518**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0519**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0520**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0521**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)

**NOTICE OF SHERIFF'S SALE #18-0522**  
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**NOTICE OF SHERIFF'S SALE #18-0523**  
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**NOTICE OF SHERIFF'S SALE #18-0524**  
On May 12, 2016, at the hour of 10:00 a.m., at the Lincoln County Sheriff's Office, 225 W. Olive St., Rm 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 368 SE Fir Street, Toledo, OR 97381. The court case number is 150V14924, U.S. Bank National Association, as Trustee, Successor in Interest to Lend Lease Bank, Plaintiff vs. Defendants, Occupants of the Property, Defendants. This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.com/county/incolln/>, M-25, A-1, 8, 15 (92-22)



## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:6.B.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **Public Hearing and Possible Adoption of Resolution No. 3746, Resolution Providing for a Supplemental Budget and Making Appropriations/Fund Requirement Changes for the Fiscal Year 2015-16.**

#### **Background:**

There are a number of budget adjustments that need to be made at this point in the fiscal year as outlined in the report from Finance Director, Mike Murzynsky. Just a couple of notes for the Council's clarification. The SW Abalone/Brant Street Project is a project that is eligible to use System Development Charges in the amount of \$187,643. This budget amendment will appropriate those funds from the SDC to the project fund. The supplemental budget then transfers what is anticipated to remain unused in original appropriations for the Ferry Slip Road and Abalone/Brant Street improvement projects over to the SE 35<sup>th</sup> and Highway 101 signalization improvement project fund. At this point we are estimating that \$497,057 of unused Ferry Slip Road Street improvement funding will be available for this transfer, as well as \$592,367 for the SW Abalone/Brant Street improvement projects (which includes the SDC expenses).

Also, please note \$275,000 of the \$300,000 gift from the Doerfler Trust has been transferred to the Aquatic Center budget. Also we are consolidating the Aquatic Center parking improvements budget with the Aquatic Center budget since this work was being done with one contract, versus the two contracts that we had originally contemplated.

The budget amendment also recognizes the additional funding received from FEMA for the Safe Haven Hill project. Finally, please note that we are combining the Schooner Creek Lift Station Force Main replacement project with the gravity sanitary sewer upgrade for NW 48<sup>th</sup> and Big Creek into a single project called the Agate Beach Wastewater Improvement Project. This is being done since it is likely we will deal with these two projects as a single project at the time bids are issued for this work. Overall, our operational budget is falling within parameters. These are the adjustments that are recommended for consideration by the City Council at this point in our fiscal year.

#### **Recommendation:**

I recommend that the Mayor conduct a public hearing on the possible adoption of Resolution No. 3746, a resolution providing for a supplemental budget and making appropriations/fund requirement changes for the Fiscal Year 2015-16.

I further recommend that the City Council consider the following motion:



I move to adopt Resolution No. 3746 with Attachment A, a resolution adopting a supplemental budget for the Fiscal Year 2015-16, and making appropriation increases changes for the current fiscal year.

**Fiscal Effects:**

As outlined in the attached materials.

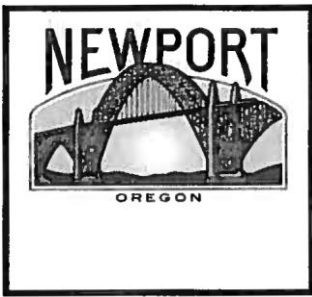
**Alternatives:**

None recommended.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is written over a light blue rectangular background.

Spencer R. Nebel, City Manager



Issue/Agenda Title: Resolution No. 3746 providing for a supplemental budget and making appropriation/total requirement changes for the Fiscal Year 2015-2016.

Prepared By: Murzynsky Dept Head Approval: Murzynsky City Mgr Approval:

Proposed Motion: I move to adopt Resolution No. 3746 with Attachment "A", a resolution adopting a supplemental budget for fiscal year 2015-16 and making appropriation increases and changes for fiscal year 2015-16.

Background information:

The General Fund requires the following adjustments:

- Within the IT budget an adjustment for increased revenues and related expenditures due to anticipated purchase of IT servers for the City IT network is required. The additional revenue and capital outlays of \$72,100 will be recognized. Please note, the original budget contained the annual payment for the lease however for the financial presentation purposes we must book the complete lease in order to capitalize the equipment.
- \$5,500 will be recognized from the sale of a new truck for the Park Facilities department; Parks Facilities decided to sale the trade-in with GovDeals and the sale was better in value as compared to a trade-in.
- Finally, there is \$9,400 of delinquent property taxes related to the 1998 Water General Obligation which are being transferred to the General Fund. See Attachment A for further details.

The Parks & Recreation fund is recognizing the \$300,000 donation from the Doerfler family. This donation will be allocated between a \$25,000 reserve for passes related to the Pool operations and a transfer of \$275,000 to the Swimming Pool Construction project. Adjustments are listed are listed on Attachment A.

The SDC fund will allocate an additional \$187,643 from the Streets SDC to the Capital Projects - General for the SW Abalone Brant Street project. These are noted on Attachment A.

The Water debt service contains \$9,400 in delinquent property taxes related to the 1998 Water General Obligation, which is paid off, so the balance is being transferred to the General Fund and the program will be officially closed.

The Capital Projects - General fund requires the following adjustments:

- There are unanticipated revenues from FEMA, the SDC Fund, the Parks & Recreation and from the Port of Newport which need to be recorded as well as the associated expenditures
- \$332,085 will be recorded as additional revenue and the expenditures will be recorded in the Safe Haven Project (11014)

- The SDC fund will transfer \$187,643 to be used for the SW Abalone Brant Street Improvement project (14002) and this same amount, \$187,643, will be transferred to the SE 35<sup>th</sup> Street and Hwy 101 project.
- The Parks & Recreation fund is transferring \$275,000 (Doerfler donation) to be used in the construction of the Swimming Pool Construction project (13019)
- The Port of Newport has given the City \$16,000 which will be used as an offset to additional costs related to the Preparation of the Newport Urban Renewal Plan project (15037).
- The expenditures related to the SE Ferry Slip project (14003), and SW Abalone will be adjusted to the SE 35<sup>th</sup> Street & Hwy 101 Signal project, in the following amounts, (\$497,057) and (\$379,724) respectively with a shift of the (\$187,643) transfer from the SDC Funds. The projects adjusted are listed on Attachment A.

The Capital Projects - Proprietary fund require an adjustment to close the Gravity SS Upgrade - NW 48<sup>th</sup> to Big Creek (15031) and Schooner Creek WW Lift Station (15032) to Agate Beach WW Improvement project (11002). The projects adjusted are listed on Attachment A.

For the Reserve Fund, the Reserve for future expenditure - Police will be adjusted by \$15,000 to set up the purchase of a K9 Police dog before the end of the current fiscal year. This is noted on Attachment A.

Staff recommends the adoption of the supplemental budget and making appropriation and transfer of funds changes in the funds as detailed on Attachment "A" to Resolution No. 3746.

ORS 294.471 allows for a governing body to approve a supplemental budget. ORS 294.471(a) permits a local government to make a supplemental budget where there is "an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." ORS 294.473 provides the procedures for those instances where the supplemental budget changes the estimated expenditure by ten percent or greater. The required notices have been published.

Also included, Attachment B, is a listing which shows the original budget noted as \$82,189,073 and then individual adjustment columns shown for each Council budget adjustment. The final column is a cumulative total and the City budget has increased to \$82,746,840.

#### Fiscal Notes:

The funds included in this supplemental budget are the only ones requiring an adjustment. The individual fund information is noted on Attachment A.

Alternatives: None

#### Attachments:

Resolution 3746

Attachment A - Summary for resolution 3746

Attachment B - Original budget with subsequent adjustments

**CITY OF NEWPORT**

**RESOLUTION NO. 3746**

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET ADJUSTMENT FOR FISCAL YEAR 2015-16, MAKING APPROPRIATION/TOTAL REQUIREMENT CHANGES FOR SPECIFIC FUNDS**

**WHEREAS**, the City of Newport's 2015-16 budget requires changes of appropriation for the General Fund, Parks and Recreation Fund, SDC Fund, Water Debt Service, Capital Projects - General and Proprietary Funds, and the Reserve Fund; and have complied with the provisions of ORS 294.

**WHEREAS**, under the provisions of Oregon Local Budget Law, fund accounts are required to reflect sufficient authorized appropriations consistent with available resources; and

**WHEREAS**, ORS 294.473 requires a supplemental budget with a public hearing when the estimated expenditures differ by 10 percent or more from the most recent amended budget prior to the supplemental budget, the governing body may adopt the supplemental budget with a public hearing at a regular meeting, and

**WHEREAS**, the General Fund require an adjustment for the financial setup of the lease purchase related to the City IT Servers, receipt of sale proceeds (trade-in versus sale) for purchase of Parks Facilities truck, and receipt of delinquent property taxes from Water debt service. Adjustments are listed are listed on Attachment A and no other adjustments are needed; and

**WHEREAS**, the Parks and Recreation Fund requires an adjustment to receive the donation from the Doerfler family for the Swimming Pool construction, \$275,000 will be transferred to the Capital Construction fund and the remaining \$25,000 will be held in trust for passes related to the pool operations. Adjustments are listed on Attachment A and no other adjustments are needed; and

**WHEREAS**, the SDC Fund requires an adjustment to transfer additional Parks and Recreation System Development charges to Capital Projects construction for the SW Abalone project. Adjustments are listed on Attachment A and no other adjustments are needed; and

**WHEREAS**, the Water Debt Service Funds require an adjustment to close the 1998 General Obligation Debt Service program and transfer the delinquent property taxes to the General Fund. No additional appropriation increase authority is required; and

**WHEREAS**, the Capital Project - General fund requires an adjustment for increased revenues due to unanticipated revenues from the Port of Newport, FEMA and transfers from the SDC and Parks & Recreation funds with related costs were adjusted to match the new revenues. Additional adjustments were related to allocation for the Ferry Slip project and the closure of the Swimming Pool Parking project to the main construction. Adjustments are listed are listed on Attachment A and no other adjustments are needed; and

**WHEREAS**, the Capital Project - Proprietary Funds requires an adjustment to consolidate the Gravity Sanitary Sewer upgrade - NW 48<sup>th</sup> to Big Creek and Schooner Creek Lift Station projects to the Agate Beach Wastewater Improvement project. Adjustments are listed are listed on Attachment A and no other adjustments are needed; and

**WHEREAS**, the Reserve fund requires an adjustment from reserves for the purchase of a new K9 police dog. Adjustments are listed and no other adjustments are needed,

**THE CITY OF NEWPORT RESOLVES AS FOLLOWS:**

- 1) The City of Newport hereby adopts the FY 2015-16 Resolution 3746 set forth above and listed on Attachment A and appropriates the related expenditures.

This resolution will become effective immediately upon passage.

Adopted by the Newport City Council on April 18, 2016.

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Sandra N. Roumagoux, Mayor

Attest:

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Margaret M. Hawker, City Recorder

**CITY OF NEWPORT**  
**Budget with Supplementals/Transfer Resolutions**

Fiscal Year 2015 - 2016

		Agate Beach Wayside				NURA						Adjusted Budget FY 2015-2016
Fund	Appropriation Level	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	
<b>101 - General Fund</b>												
	Beginning Fund Balance	2,595,226				50,000						2,645,226
	Revenues	11,530,761										11,608,361
	Conflagration reimbursment	0								127,835	77,600	127,835
	Transfer from Room Tax Fund	21,822										21,822
	Transfer from Street Fund	5,578										5,578
	Transfer from Water Fund	13,050										13,050
	Transfer from Water Debt	0									9,400	9,400
	Transfer from Wastewater	13,050										13,050
<b>Total Revenues:</b>		14,179,487	0	0		50,000	0	0	0	127,835	87,000	14,444,322
<b>101 - General Fund</b>												
	City Administration	1,995,430					20,095				72,100	2,087,625
	Police	3,603,480					12,857			58,511		3,674,848
	Fire	1,892,439					4,510			112,682		2,009,631
	Emergency Coordinator	107,000					0					107,000
	Library	1,225,857					13,232					1,239,089
	Community Development	315,380					3,782					319,162
	Facilities & Parks	800,364					5,921				5,500	811,785
	Facilities & Parks Projects	426,000					0					426,000
	Non-Departmental	421,488					0					421,488
	Transfer to Airport Fund	310,288										310,288
	Transfer to Capital Projects Fund	5,500				50,000						55,500
	Transfer to Gen Debt Fund	167,442										167,442
	Transfer to Parks & Rec Fund	569,002										569,002
	Transfer to Housing Fund	13,200										13,200
	Transfer to Building Inspection Fund	3,000										3,000
	Transfer to Reserve Fund - Fire	150,000								46,245		196,245
	Transfer to Reserve Fund - Police	30,000										30,000
	Transfer to Prop Capital Projects Fund											0
	Contingency	541,322					(60,397)			(89,603)	9,400	400,722
<b>Total General Fund Appropriations</b>		12,577,192	0	0	0	50,000	0	0	0	127,835	87,000	12,842,027
Unappropriated Ending Fund Balance		1,602,295										1,602,295
<b>Total General Fund</b>		14,179,487	0	0	0	50,000	0	0	0	127,835	87,000	14,444,322
<b>GENERAL FUND - 101</b>		0	0	0	0	0	0	0	0	0	0	0
<b>201 - Parks &amp; Recreation</b>												
	Beginning Fund Balance	347,870										347,870
	Revenues	612,165								1,000	300,000	913,165
	Transfer from General Fund	569,002										569,002
	Transfer from Room Tax Fund	180,500										180,500
<b>Total Revenues:</b>		1,709,537	0	0		0	0	0	0	1,000	300,000	2,010,537
<b>201 - Parks &amp; Recreation</b>												
	Administration	164,626					2,103					166,729
	60+ Activity Center	168,321					1,431					169,752
	Swimming Pool	392,466					2,430				25,000	419,896
	Recreation Center	545,606					1,489					547,095
	Recreation Programs	176,944										176,944
	Sports Programs	122,266								1,000		123,266
	Transfer to Capital Projects	0									275,000	275,000

**CITY OF NEWPORT**  
**Budget with Supplementals/Transfer Resolutions**

Fiscal Year 2015 - 2016

		Agate Beach Wayside				NURA							Adjusted Budget FY 2015-2016
Fund	Appropriation Level	Project No.	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	
	Contingency		139,308					(7,453)					131,855
	<b>Total Parks &amp; Recreation Fund</b>		1,709,537	0	0		0	0	0	0	1,000	300,000	2,010,537
	Unappropriated Ending Fund Balance												0
	<b>Total Parks &amp; Recreation Fund</b>		1,709,537	0	0		0	0	0	0	1,000	300,000	2,010,537
<b>PARKS &amp; RECREATION - 201</b>			0	0	0		0	0	0	0	0	0	0
<b>211 - Public Parking Fund</b>													
	Beginning Fund Balance		323,733										323,733
	Revenues		32,310										32,310
	<b>Total Revenues:</b>		356,043	0	0		0	0	0	0	0	0	356,043
<b>211 - Public Parking Fund</b>													
	Public Parking - Nye Beach		12,722										12,722
	Public Parking - City Center		6,896										6,896
	Public Parking - Bay Front		22,218										22,218
	Transfer to Capital Projects Fund		40,000										40,000
	Contingency		274,207										274,207
	<b>Total Public Parking Fund</b>		356,043	0	0		0	0	0	0	0	0	356,043
	Unappropriated Ending Fund Balance												0
	<b>Total Public Parking Fund</b>		356,043	0	0		0	0	0	0	0	0	356,043
<b>PUBLIC PARKING FUND - 211</b>			0	0	0		0	0	0	0	0	0	0
<b>212 - Housing Fund</b>													
	Beginning Fund Balance		157,851										157,851
	Revenues		530										530
	Transfer from General Fund		13,200										13,200
	<b>Total Revenues:</b>		171,581	0	0		0	0	0	0	0	0	171,581
<b>212 - Housing Fund</b>													
	Housing		135,849										135,849
	Contingency		35,732										35,732
	<b>Total Housing Fund</b>		171,581	0	0		0	0	0	0	0	0	171,581
	Unappropriated Ending Fund Balance												0
	<b>Total Housing Fund</b>		171,581	0	0		0	0	0	0	0	0	171,581
<b>HOUSING FUND - 212</b>			0	0	0		0	0	0	0	0	0	0
<b>220 - Airport Fund</b>													
	Beginning Fund Balance		353,254										353,254
	Revenues		343,965										343,965
	Transfer from General Fund		310,288										310
	Transfer from Room Tax Fund		25,000										25
	<b>Total Revenues:</b>		1,032,507	0	0		0	0	0	0	0	0	1,032,507

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**CITY OF NEWPORT**  
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Fiscal Year 2015 - 2016

Fiscal Year 2015 - 2016			Agate Beach Wayside			NURA							Adjusted Budget
Fund	Appropriation Level	Project No.	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	FY 2015-2016
220 - Airport Fund													
	Airport Operations		693,941					2,843			70,246		767,030
	Transfer General Debt Fund		6,746										6,746
	Transfer to Capital Proj - Airport		154,293										154,293
	Contingency		71,691					(2,843)			(68,848)		0
	Total Airport Fund		926,671	0	0		0	0	0	0	1,398	0	928,069
	Unappropriated Ending Fund Balance		105,836								(1,398)		104,438
	Total Airport Fund		1,032,507	0	0		0	0	0	0	0	0	1,032,507
AIRPORT FUND - 220			0	0	0		0	0	0	0	0	0	0
230 - Room Tax Fund													
	Beginning Fund Balance		778,488				72,000						850,488
	Revenues		1,321,300							36,855			1,358,155
	Total Revenues:		2,099,788	0	0	0	72,000	0	0	36,855	0	0	2,208,643
230 - Room Tax Fund													
	Room Tax		1,145,246				(200,000)			36,855			982,101
	Transfer to General Fund		21,822										21,822
	Transfer to Parks & Rec Fund		180,500										180,500
	Transfer to Airport Fund		25,000										25,000
	Transfer to Debt Service General		14,491										14,491
	Transfer to Debt Service Wastewater		127,325										127,325
	Transfer to Capital Proj Fund		375,513			60,000	272,000						707,513
	Contingency		126,381			(60,000)							66,381
	Total Room Tax Fund		2,016,278	0	0	0	72,000	0	0	36,855	0	0	2,125,133
	Unappropriated Ending Fund Balance		83,510										83,510
	Total Room Tax Fund		2,099,788	0	0	0	72,000	0	0	36,855	0	0	2,208,643
ROOM TAX FUND - 230			0	0	0	0	0	0	0	0	0	0	0
240 - Building Inspection Fund													
	Beginning Fund Balance		469,943										469,943
	Revenues		167,010							25,000			192,010
	Transfer from General Fund		3,000										3,000
	Total Revenues:		639,953	0	0	0	0	0	0	25,000	0	0	664,953
240 - Building Inspections													
	Building Inspections		258,868					3,029		25,000			286,897
	Contingency		25,887					(3,029)					22,858
	Total Building Inspections Fund		284,755	0	0	0	0	0	0	25,000	0	0	309,755
	Unappropriated Ending Fund Balance		355,198										355,198
	Total Building Inspections Fund		639,953	0	0	0	0	0	0	25,000	0	0	664,953
BUILDING INSPECTION - 240			0	0	0	0	0	0	0	0	0	0	84

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251 - Street Fund



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Fiscal Year 2015 - 2016			Agate Beach Wayside				NURA						
Fund	Appropriation Level	Project No.	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	Adjusted Budget FY 2015-2016
	Beginning Fund Balance		588,769										588,769
	Revenues		982,687										982,687
	Transfer from Water Fund		35,000										35,000
	Transfer from Wastewater Fund		35,000										35,000
	Total Revenues:		1,641,456	0	0	0	0	0	0	0	0	0	1,641,456
251 - Street Fund													
	Street Maintenance		655,041					878			3,367		659,286
	Storm Drain Maintenance		426,956					878			3,367		431,201
	Transfer General Debt Fund		62,190										62,190
	Transfer General Fund		5,578										5,578
	Transfer Capital Projects		10,000										10,000
	Contingency		109,156					(1,756)			(6,734)		100,666
	Total Street Fund		1,268,921	0	0	0	0	0	0	0	0	0	1,268,921
	Unappropriated Ending Fund Balance		372,535										372,535
	Total Street Fund		1,641,456	0	0	0	0	0	0	0	0	0	1,641,456
STREET FUND			0	0	0	0	0	0	0	0	0	0	0
252 - Line Undergrounding													
	Beginning Fund Balance		732,615										732,615
	Revenues		172,800										172,800
	Total Revenues:		905,415	0	0	0	0	0	0	0	0	0	905,415
252 - Line Undergrounding													
	Line Undergrounding		400										400
	Transfer General Debt Fund		59,435										59,435
	Transfer Capital Projects		200,000										200,000
	Contingency		645,580										645,580
	Total Line Undergrounding Fund		905,415	0	0	0	0	0	0	0	0	0	905,415
	Unappropriated Ending Fund Balance												0
	Total Line Undergrounding Fund		905,415	0	0	0	0	0	0	0	0	0	905,415
LINE UNDERGROUNDING FUND			0	0	0	0	0	0	0	0	0	0	0
253 - SDC Fund													
	Beginning Fund Balance		1,112,230										1,112,230
	Revenues		249,070										249,070
	Total Revenues:		1,361,300	0	0	0	0	0	0	0	0	0	1,361,300
253 - SDC Fund													
	SDC - Streets		50,000										50,000
	SDC - Administration		25,000										25,000
	Transfer to Proprietary Debt Fund		10,000										10,000
	Transfer to Capital Projects Fund		187,500			60,000						187,643	435
	Contingency		1,088,800			(60,000)						(187,643)	841
	Total SDC Fund		1,361,300	0	0	0	0	0	0	0	0	0	1,361,300
	Unappropriated Ending Fund Balance												0

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Fiscal Year 2015 - 2016

Fiscal Year 2015 - 2016			Agate Beach Wayside				NURA						
Fund	Appropriation Level	Project No.	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	Adjusted Budget FY 2015-2016
Total SDC Fund			1,361,300	0	0	0	0	0	0	0	0	0	1,361,300
SDC FUND - 253			0	0	0	0	0	0	0	0	0	0	0
254 - Agate Beach Closure													
	Beginning Fund Balance		1,404,584										1,404,584
	Revenues		18,000										18,000
Total Revenues:			1,422,584	0	0	0	0	0	0	0	0	0	1,422,584
254 - Agate Beach Closure													
	Agate Beach Closure Fund		60,327										60,327
	Contingency		1,362,257										1,362,257
Total Agate Beach Closure Fund			1,422,584	0	0	0	0	0	0	0	0	0	1,422,584
	Unappropriated Ending Fund Balance												0
Total SDC Fund			1,422,584	0	0	0	0	0	0	0	0	0	1,422,584
AGATE BEACH CLOSURE - 254			0	0	0	0	0	0	0	0	0	0	0
270 - Newport URA													
	Beginning Fund Balance		774,253										774,253
	Revenues		430,857										430,857
Total Revenues:			1,205,110	0	0	0	0	0	0	0	0	0	1,205,110
270 - Newport URA													
	Newport Urban Renewal Operations		200,423										200,423
	Transfer to Capital Projects - General		300,000										300,000
	Contingency		704,687										704,687
Total Agate Beach Closure Fund			1,205,110	0	0	0	0	0	0	0	0	0	1,205,110
	Unappropriated Ending Fund Balance												0
Total SDC Fund			1,205,110	0	0	0	0	0	0	0	0	0	1,205,110
NEWPORT URBAN RENEWAL AGENCY			0	0	0	0	0	0	0	0	0	0	0
301 - Debt Service - Water													
	Beginning Fund Balance		118,219										118,219
	Revenues		839,114									9,400	848,514
	Transfer from Water Fund		124,676										124,676
	Transfer from Water Fund		330,988										330,988
Total Revenues:			1,412,997	0	0	0	0	0	0	0	0	9,400	1,422,397
301 - Debt Service - Water													
	WTP GO Bond		904,825										904,825
	Water General Debt		124,676										124,676
	Water Revenue Bond		330,988										330,988
	Transfer to General Fund		0									9,400	9,400
Total Bonded Debt Fund			1,360,489	0	0	0	0	0	0	0	0	9,400	1,369,889
	Unappropriated Ending Fund Balance		52,508										52,508
Total Bonded Debt Fund			1,412,997	0	0	0	0	0	0	0	0	9,400	1,422,397

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**CITY OF NEWPORT**  
**Budget with Supplementals/Transfer Resolutions**

Fiscal Year 2015 - 2016

Fiscal Year 2015 - 2016			Agate Beach Wayside				NURA						Adjusted Budget
Fund	Appropriation Level	Project No.	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	FY 2015-2016
BONDED DEBT FUND - 301			0	0	0	0	0	0	0	0	0	0	0
302 - Debt Service Wastewater													
	Beginning Fund Balance		1,145,329										1,145,329
	Revenues		880,807										880,807
	Transfer from Wastewater		431,113										431,113
	Transfer from SDC Fund		10,000										10,000
	Transfer from Room Tax Fund		127,325										127,325
	Transfer from Wastewater		200,000										200,000
Total Revenues:			2,794,574	0	0	0	0	0	0	0	0	0	2,794,574
302 - Debt Service Wastewater													
	Wastewater GO Bond		935,925										935,925
	Wastewater General Debt		568,438										568,438
Total Proprietary Debt Fund			1,504,363	0	0	0	0	0	0	0	0	0	1,504,363
	Loan Reserve - Proprietary Debt		568,438										568,438
	Unappropriated Ending Fund Balance		721,773										721,773
Total Proprietary Debt Fund			2,794,574	0	0	0	0	0	0	0	0	0	2,794,574
PROPRIETARY DEBT FUND - 302			0	0	0	0	0	0	0	0	0	0	0
303 - General Debt - General													
	Beginning Fund Balance		58,186										58,186
	Revenues		475,784										475,784
	Transfer from Street Fund		62,190										62,190
	Transfer from Water Fund		4,553										4,553
	Transfer from Wastewater Fund		31,337										31,337
	Transfer from General Fund		167,442										167,442
	Transfer from Airport Fund		6,746										6,746
	Transfer from Line Underground		59,435										59,435
	Transfer from Room Tax Fund		14,491										14,491
Total Revenues:			880,164	0	0	0	0	0	0	0	0	0	880,164
303 - General Debt - General													
	Swimming Pool GO Bond		488,419										488,419
	General Debt Service		343,638										343,638
Total General Debt Fund			832,057	0	0	0	0	0	0	0	0	0	832,057
	Unappropriated Ending Fund Balance		48,107										48,107
Total General Debt Fund			880,164	0	0	0	0	0	0	0	0	0	880,164
GENERAL DEBT - 303			0	0	0	0	0	0	0	0	0	0	0
304 - Debt Service - Newport URA													
	Beginning Fund Balance		2,442,359										2,442
	Revenues		2,364,195										2,364,195
	Transfer from Water Fund												0

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Fiscal Year 2015 - 2016			Agate Beach Wayside				NURA						
Fund	Appropriation Level	Project No.	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	Adjusted Budget FY 2015-2016
Total Revenues:			4,806,554	0	0	0	0	0	0	0	0	0	4,806,554
304 - Debt Service - Newport URA													
Debt Service			1,517,732										1,517,732
Total Revenue Bond Debt Fund			1,517,732	0	0	0	0	0	0	0	0	0	1,517,732
Loan Reserve - Revenue Bond			785,463										785,463
Unappropriated Ending Fund Balance			2,503,359										2,503,359
Total Revenue Bond Debt Fund			4,806,554	0	0	0	0	0	0	0	0	0	4,806,554
REVENUE BOND DEBT - 304			0	0	0	0	0	0	0	0	0	0	0
402 - Capital Projects - General Projects													
Beginning Fund Balance			14,347,532								(2,784,713)		11,562,819
Adjust BFB			0								0		0
Reserve - Premium on Pool Bond			381,973										381,973
Revenues			5,864,829									16,000	5,880,829
FEMA Revenues - Airport			0								1,270,101		1,270,101
FEMA Revenues - Safe Haven			0								293,834	332,085	625,919
Transfer from Parks and Recreation			0									275,000	275,000
Transfer from Room Tax			95,795				272,000						367,795
Transfer from Street Fund			10,000										10,000
Transfer from Line Undergrounding			200,000										200,000
Transfer from Public Parking Fund			40,000										40,000
Transfer from URA			300,000										300,000
Transfer from SDC Fund			87,500			60,000						187,643	335,143
Transfer from Room Tax			150,000			60,000							210,000
Transfer from SDC Fund			100,000										100,000
Transfer from Wastewater Fund			140,000										140,000
Transfer from Airport Fund			154,293										154,293
Transfer from General Fund			5,500				50,000						55,500
Transfer from Room Tax			129,718										129,718
Total Revenues:			22,007,140	0	0	120,000	322,000	0	0	0	(1,220,778)	810,728	22,039,090
402 - Capital Projects - General Projects													
Capital Projects - General													
City Center Park Improve			10006	90,000									90,000
So Beach Tsunami Improve (Phase II)			11014	492,294							0	357,085	849,379
Hwy 1-1 Pedestrian Crossing Improve			11024	185,050							(185,050)		0
Bay Bld,SE Moore Dr, SE Fogarty & SE 4th			12015	2,949,100							(32,530)		2,916,570
Wayfinding Sign Project - Phase 3			12018	6,000							0		6,000
NW 6th Str Storm Sewer			13002	380,000		(180,000)	(200,000)				0		0
Agate Beach Rec & Wayside Improve			13010	100,624		300,000					0		400,624
Strategic Grant Consulting Services			13011	23,605							(492)		23,113
Storm Sewer System Master Plan			13012	20,000									20,000
SE 35th & Hwy 101 Signalization Improve			13018	67,547							0	1,064,424	1,131,971
Sam Moore Crk Water Quaility & Improve			13020	129,550									129,550
SW Abalone Brant Street Improve			14002	2,174,000							24,171	(404,724)	1,793,447
SE Ferry Slip Rd Street Improve			14003	1,438,000							15,459	(497,057)	956
Fire Station Seismic Rehabilitation			14005	1,491,223									1,491
2015-2016 Sidewalk & Bike Improve			14007	15,000									15,000
2015-2016 Street Overlay & Improve			15003	264,232							82,138		346,370

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			Agate Beach Wayside			NURA							Adjusted Budget FY 2015-2016
Fund	Appropriation Level	Project No.	Adopted Budget Resolution	Appropriation Change	Appropriation Change	Appropriation Change	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	
			#3710	August 17, 2015	August 17, 2015	August 31, 2015	3726	3706	3728	3735	3740	3746	
	Parks System Master Plan	15011	37,500										37,500
	LID Code Update Study	15012	15,000										15,000
	Nye Beach Turnaround Pavement Rehab	15013	25,000										25,000
	Harbor Way- Nye Str to Abbey Street	15014	81,675										81,675
	Agate Beach State Park to Hwy 101	15015	29,120										29,120
	NE 6th Str Right of Way Acquisition	15016	50,000										50,000
	Ferry Slip Rd Utility Line Underground	15017	500,000										500,000
	NE 7th & Harney Sliplining	15018	100,000										100,000
	Sharrows-BayBlvd fr Natherlin to John Moore	15019	10,000										10,000
	Preparation of Newport Urban Renewal Plan	15037									30,000	16,000	46,000
	Nye Creek Storm Sewer Repair	15036	0				200,000						200,000
	Capital Projects - Swimming Pool												
	Aquatic Center	13019	7,940,000				322,000				(128,706)	522,871	8,656,165
	Aquatic Center Parking Improvements	14004	285,884								(38,013)	(247,871)	0
	Capital Projects - Airport AIP												
	RW16-34 Rehabilitation	12092	990,933								(990,933)		0
	RW16-34 Rehabilitation AIP 22	12092	997,256								0		997,256
	FBO Building Repairs	14021	310,000								0		310,000
	Airport Master Plan	15001	385,000								0		385,000
	Capital Projects - VAC/PAC												
	Runyan Floors	15020	18,746										18,746
	Entry Stairway & Hall	15021	8,422										8,422
	2nd Floor Room Configuration	15022	5,924										5,924
	Wooden Art Doors	15023	2,500										2,500
	Lobby Expansion	15024	282,267										282,267
	Women's Restrooms	15025	47,230										47,230
	Transfer to SDC Fund - Streets												0
	Transfer to Proprietary Capital Fund												0
	Contingency		58,458								3,178		61,636
	<b>Total Capital Projects - General</b>		22,007,140	0	0	120,000	322,000	0	0	0	(1,220,778)	810,728	22,039,090
	Restricted - Swim Pool												0
	Unappropriated Ending Fund Balance												0
	<b>Total Capital Projects - General</b>		22,007,140	0	0	120,000	322,000	0	0	0	(1,220,778)	810,728	22,039,090
<b>CAPITAL PROJECTS GENERAL</b>			0	0	0	0	0	0	0	0	0	0	0
<b>403 - Capital Projects - Proprietary</b>													
	Beginning Fund Balance		842,934								(614,557)		228,377
	Restricted Water Revenue Bond		3,123,083								(224,920)		2,898,163
	Revenues		6,337,547										6,337,547
	Clean Water SRF Loan		0								609,959		609,959
													0
	Transfer from Water Fund		1,177,075										1,177,075
	Transfer from Wastewater Fund		297,586										297,586
	<b>Total Revenues:</b>		11,778,225	0	0	0	0	0	0	0	(229,518)	0	11,548,707
<b>403 - Capital Projects - Proprietary</b>													
	Prop Capital Projects - Water												
	NE 71st St Water Tank & Pump Station	11018	2,037,139								(221,670)		1,815,469
	Big Creek Dams Preliminary Design	11025	451,300										451,300
	Yaquina Hts Tank Interior recoat & Handrails	12010	100,000										100,000
	Fixed base Metering System	12029	1,150,000										1,150,000

**CITY OF NEWPORT**  
**Budget with Supplementals/Transfer Resolutions**

Fiscal Year 2015 - 2016

			Agate Beach Wayside			NURA							Adjusted Budget FY 2015-2016
			Adopted Budget Resolution	Appropriation Change	Appropriation Change	Appropriation Change	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	
Fund	Appropriation Level	Project No.	#3710	August 17, 2015	August 17, 2015	August 31, 2015	3726	3706	3728	3735	3740	3746	
	Strategic Grant Consulting Service	13011	25,192								(3,250)		21,942
	Seal Rock Water District Intertie Project	13013	75,000										75,000
	Water Rights Revisions	13014	5,533										5,533
	Pave Parking Lot at WTP	14012	60,000										60,000
	WTF Hallway Expansion	14013	25,000										25,000
	Old WTP Demolition/New Storage Garage	14014	200,000										200,000
	Water Distribution System Flushing Plan	14015	40,000										40,000
	Candletree Pump Station Replacement	14016	450,000										450,000
	Emergency Generator	14018	330,000										330,000
	SCADA System Upgrade Proj-WTP	15026	73,000										73,000
	NE3rd/Yaquina Heights Dr Water Line Install	15029	250,000		(120,000)								130,000
	Utility Rate Study	15030	20,000										20,000
	Hwy 101 & Golf Course Drive	15035	0		120,000								120,000
	Other Eligible Revenue Bond Projects		11,644										11,644
Prop Capital Projects - Wastewater													
	Agate Beach WW Improvement project	11002	0									2,641,451	2,641,451
	Nye Beach Screen & Grinder Pump	11020	200,000								0		200,000
	Big Creek Wastewater Lift Station Force Replacemen	12025	2,346,128	553,872							0		2,900,000
	Wastewater System Master Plan	13008	111,651								(1,348)		110,303
	2016 Sanitary Sewer Televising Program	13009	132,044										132,044
	Strategic Grant Consulting Service	13011	25,192								(3,250)		21,942
	Smoke Testing Program	13015	45,079								0		45,079
	SCADA System Upgrade Proj-WWTP	15027	82,000										82,000
	SCADA System Upgrade Proj-WW Collection	15028	42,000										42,000
	Utility Rate Study	15030	20,000										20,000
	Gravity Sanitary Sewer Upgrade-NW 48th to Big Cree	15031	1,401,323									(1,401,323)	0
	Schooner Creek WW Lift Station Foremain Replace	15032	1,794,000	(553,872)							0	(1,240,128)	0
	NE 7th & Douglas & Hurbert between 3rd & 6th	15033	275,000										275,000
	Contingency												0
<b>Total Capital Projects - Proprietary Fund</b>			<b>11,778,225</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(229,518)</b>	<b>0</b>	<b>11,548,707</b>
Unappropriated Ending Fund Balance													0
<b>Total Capital Projects - Proprietary Fund</b>			<b>11,778,225</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(229,518)</b>	<b>0</b>	<b>11,548,707</b>
<b>CAPITAL PROJECTS PROPRIETARY FUND</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>404 - Reserve Fund</b>													
	Beginning Fund Balance		501,938										501,938
	Revenues		2,050										2,050
	Transfer from General Fund		180,000								46,245		226,245
<b>Total Revenues:</b>			<b>683,988</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,245</b>	<b>0</b>	<b>730,233</b>
<b>404 - Reserve Fund</b>													
	Capital Outlay - Police		40,000									15,000	55,000
	Capital Outlay - Fire		425,000										425,000
<b>Total Reserve Fund</b>			<b>465,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>480,000</b>
	Reserve for Future - Police		55,256									(15,000)	40,256
	Reserve for Future - Fire		153,628								46,245		199,873
	Reserve for Future - Library		10,104										10,104
	Unappropriated Ending Fund Balance												90
<b>Total Reserve Fund</b>			<b>683,988</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,245</b>	<b>0</b>	<b>730,233</b>

**CITY OF NEWPORT**  
**Budget with Supplementals/Transfer Resolutions**

Fiscal Year 2015 - 2016

		Agate Beach Wayside				NURA						Adjusted Budget FY 2015-2016
		Adopted Budget Resolution	Appropriation Change	Appropriation Change	Appropriation Change	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	Adopted Budget Resolution	
Fund	Appropriation Level	#3710	August 17, 2015	August 17, 2015	August 31, 2015	3726	3706	3728	3735	3740	3746	
<b>RESERVE FUND - 404</b>		0	0	0	0	0	0	0	0	0	0	0
<b>601 - Water Fund</b>												
	Beginning Fund Balance	1,174,476										1,174,476
	Revenues	3,942,200										3,942,200
	<b>Total Revenues:</b>	5,116,676	0	0	0	0	0	0	0	0	0	5,116,676
<b>601 - Water Fund</b>												0
	Water Plant	1,067,465					1,809			7,016		1,076,290
	Water Distribution	938,418					1,736			6,735		946,889
	Water Non Departmental	930,412										930,412
	Transfer from General Fund	13,050										13,050
	Transfer to Gen Debt Fund	4,553										4,553
	Transfer to Street Fund	35,000										35,000
	Transfer to Water Debt	455,664										455,664
	Transfer to Revenue Bond											0
	Transfer Proprietary Capital Projects	1,177,075										1,177,075
	Contingency	259,917					(3,545)			(13,751)		242,621
	<b>Total Water Fund</b>	4,881,554	0	0	0	0	0	0	0	0	0	4,881,554
	Unappropriated Ending Fund Balance	235,122										235,122
	<b>Total Water Fund</b>	5,116,676	0	0	0	0	0	0	0	0	0	5,116,676
<b>WATER FUND - 601</b>		0	0	0	0	0	0	0	0	0	0	0
<b>602 - Wastewater Fund</b>												
	Beginning Fund Balance	892,737										892,737
	Revenues	3,872,680										3,872,680
	<b>Total Revenues:</b>	4,765,417	0	0	0	0	0	0	0	0	0	4,765,417
<b>602 - Wastewater Fund</b>												0
	Wastewater Plant	1,536,391					1,809			7,135		1,545,335
	Wastewater Collection	601,914								4,715		606,629
	Wastewater Non Departmental	995,704										995,704
	Transfer to General Fund	13,050										13,050
	Transfer to Gen Debt Fund	31,337										31,337
	Transfer to Street Fund	35,000										35,000
	Transfer to Water Debt	631,113										631,113
	Transfer to Capital Projects - General	140,000										140,000
	Transfer Proprietary Capital Projects	297,586										297,586
	Contingency	279,425					(1,809)			(11,850)		265,766
	<b>Total Wastewater Fund</b>	4,561,520	0	0	0	0	0	0	0	0	0	4,561,520
	Unappropriated Ending Fund Balance	203,897										203,897
	<b>Total Wastewater Fund</b>	4,765,417	0	0	0	0	0	0	0	0	0	4,765,417
<b>WASTEWATER FUND - 602</b>		0	0	0	0	0	0	0	0	0	0	0
<b>701 - Public Works Fund</b>												

**CITY OF NEWPORT**  
**Budget with Supplementals/Transfer Resolutions**

Fiscal Year 2015 - 2016

		Agate Beach Wayside			NURA							Adjusted Budget FY 2015-2016
Fund	Appropriation Level	Adopted Budget Resolution #3710	Appropriation Change August 17, 2015	Appropriation Change August 17, 2015	Appropriation Change August 31, 2015	Adopted Budget Resolution 3726	Adopted Budget Resolution 3706	Adopted Budget Resolution 3728	Adopted Budget Resolution 3735	Adopted Budget Resolution 3740	Adopted Budget Resolution 3746	
	Beginning Fund Balance	189,102										189,102
	Revenues	1,029,475										1,029,475
	<b>Total Revenues:</b>	1,218,577	0	0	0	0	0	0	0	0	0	1,218,577
<b>701 - Public Works Fund</b>												
	Public Works Administration	290,723					3,432					294,155
	Engineering	533,554					4,018			4,905		542,477
	Fleet Maintenance	88,282					881					89,163
	Contingency	86,606					(8,331)			(4,905)		73,370
	<b>Total Public Works Fund</b>	999,165	0	0	0	0	0	0	0	0	0	999,165
	Unappropriated Ending Fund Balance	219,412										219,412
	<b>Total Public Works Fund</b>	1,218,577	0	0	0	0	0	0	0	0	0	1,218,577
<b>PUBLIC WORKS FUND - 701</b>		0	0	0	0	0	0	0	0	0	0	0
<b>BALANCING AMOUNTS</b>												
	TOTAL REVENUES	82,189,073	0	0	120,000	444,000	0	0	61,855	(1,275,216)	1,207,128	82,746,840
	TOTAL APPROPRIATIONS:	74,112,632	0	0	120,000	444,000	0	0	61,855	(1,320,063)	1,222,128	74,640,552
	TOTAL NON-APPROPRIATED:	8,076,441	0	0	0	0	0	0	0	44,847	(15,000)	8,106,288
	TOTAL USES OF FUNDS	82,189,073	0	0	120,000	444,000	0	0	61,855	(1,275,216)	1,207,128	82,746,840



## CITY OF NEWPORT, OREGON

ATTACHMENT "A" - RESOLUTION NO. 3746 ADOPTING A SUPPLEMENTAL BUDGET,  
MAKING APPROPRIATION AND CHANGES FOR FISCAL YEAR 2015-16

General Fund			
Resource	Amount	Expenditure	Amount
Lease Revenue	72,100	Lease Purchase of City Servers	72,100
Miscellaneous Revenue	5,500	Capital Equipment - Parks Facilities	5,500
Transfer from Water Debt	9,400	Contingency	9,400
<b>Revised Total Resources</b>	<b>14,444,322</b>	<b>Revised Total Requirements</b>	<b>14,444,322</b>

Comments: Record the Lease purchase of City Servers and transfer of property taxes related to 1998 General Obligation Water Debt .

Parks & Recreation Fund			
Resource	Amount	Expenditure	Amount
Donations	300000	Swimming Pool program	25,000
		Transfer to Capital Projects - Swimming Pool Construction	275,000
<b>Revised Total Resources</b>	<b>2,010,537</b>	<b>Revised Total Requirements</b>	<b>2,010,537</b>

Comments: Record donation from Doerfler family for use within the Pool Construction and scholarships related to swimming program.

SDC Fund			
Resource	Amount	Expenditure	Amount
NO additional resources	-	Transfer to Capital Construction - Swimming Pool Construction	187,643
		Contingency	(187,643)
<b>Revised Total Resources</b>	<b>1,361,300</b>	<b>Revised Total Requirements</b>	<b>1,361,300</b>

Comments: Transfer additional System Development Charges to Capital Projects

Water Debt Service Fund			
Resource	Amount	Expenditure	Amount
Property taxes - delinquent	9,400	Transfer to General Fund	9,400
<b>Revised Total Resources</b>	<b>1,422,397</b>	<b>Revised Total Requirements</b>	<b>1,422,397</b>

Comments: Close delinquent property taxes from 1998 General Obligation Water Debt service to General Fund

Capital Projects - General						
Resource	Amount	Project Name	Project #	Budget	Change	Adjusted Budget
Revenue from Port of Newport	16,000	South Beach Tsunami Improvement (Phase II)	11014	492,294	357,085	849,379
FEMA Revenues - Safe Haven	332,085	SE 35th Street & Hwy 101 Signal	13018	67,547	1,064,424	1,131,971
Transfer from Parks & Recreation	275,000	SW Abalone Brant Street Improvement	14002	2,198,171	(404,724)	1,793,447
Transfer from SDC Fund	187,643	SE Ferry Slip Road Street Improvement	14003	1,453,459	(497,057)	956,402
		Preparation of Newport Urban Renewal Plan	15037	30,000	16,000	46,000
		Aquatic Center Construction	13019	8,133,294	522,871	8,656,165
		Aquatic Center Parking Improvements	14004	247,871	(247,871)	0
Note: Only adjusted projects are shown.						
<b>Revised Total Resources</b>	<b>22,039,090</b>	<b>Revised Total Requirements</b>		<b>21,228,362</b>	<b>810,728</b>	<b>22,039,090</b>

Comments: Record additional FEMA Grant for Safe Haven, Record additional SDC for SW Abalone project, record receipt of Port of Newport for URA Study, correct SW Abalone, record receipt of donation from Doerfler family for pool construction, and close pool parking improvements to pool construction.

Capital Projects - Proprietary						
Resource	Amount	Project Name	Project #	Adjusted Budget	Change	Adjusted Budget
No additional resources	-	Sewer				
		Agate Beach Wastewater Improvement project	11002	0	2,641,451	2,641,451
		Gravity SS upgrade - NW 48th to Big Creek	15031	1,401,323	(1,401,323)	-
		Schooner Creek WW Lift Station	15032	1,240,128	(1,240,128)	-
Note: Only adjusted projects are shown.						
<b>Revised Total Resources</b>	<b>11,548,707</b>	<b>Revised Total Requirements</b>		<b>11,548,707</b>	<b>-</b>	<b>11,548,707</b>

Comments: Close Schooner Creek WW Lift Station and Gravity Sanitary Sewer to Agate Beach Wastewater Improvement (reopen).

Reserve Fund			
Resource	Amount	Expenditure	Amount
No additional resources	-	Capital Purchase - K9	15,000
		Reserve for future - Police	(15,000)
<b>Revised Total Resources</b>	<b>730,233</b>	<b>Revised Total Requirements</b>	<b>730,233.00</b>

Comments: Police to purchase K9 dog, adjustment to facilitate the purchase.

## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #: 7.A.  
Meeting Date: 4-18-16

### **Agenda Item:**

#### **From the VAC Steering Committee - Annual Report**

##### **Background:**

At the March 16, 2015, Council meeting, the City Council accepted a report which included a governance model, a financial management plan, and goals to expand the usage of the Visual Arts Center. One of the requirements of the plan that was adopted was that the Visual Arts Center Steering Committee will provide an annual report to the City Council on achievements during this past year.

Overall, I am very pleased to see the steering committee playing a leading role in representing the various stakeholder's interests in this facility. This has given city staff a much clearer direction as to priorities from the stakeholder's standpoint relating to future building improvements. Furthermore, the VAC was successful in generating significant grant funds to help make capital improvements to this facility during the course of this past year. Unfortunately, during one of our winter storm events, the new flooring in the main exhibition room was damaged by storm water that entered the building during one of the significant December storms. We are currently working with our insurance company to address this issue. We are also looking at taking steps to address the gutter issues which contributed to the December flooding of the VAC. Overall, I am very pleased to see how this process continues to mature and become a working group to govern various activities that occur at the VAC.

##### **Recommendation:**

I recommend the City Council consider the following motion:

**I move that the annual report from the VAC Steering Committee be formally received and placed on file.**

##### **Fiscal Effects:**

None.

##### **Alternatives:**

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager



## **NEWPORT VISUAL ARTS CENTER**

### **Report to the Newport City Council from the Oregon Coast Council for the Arts and the Newport Visual Arts Center (VAC) Steering Committee April 18, 2016**

#### **1. Summary**

##### **a. Purpose of Report**

- i. This report is the Year 1 update to the full report submitted by the Newport Visual Arts Center Steering Committee and the Oregon Coast Council for the Arts (OCCA) board of directors, and unanimously adopted by the Newport City Council on March 16, 2015. The 2015 report included three primary focus areas: Governance, Finances (including a 5-Year Financial Plan) and Building Usage. This 2016 report reflects the original report's focus areas, and includes: recent accomplishments, recommendations to the Newport City Council, and six attachments. The original March 16, 2015 report can be obtained from the City Recorder.

##### **b. VAC Steering Committee**

- i. The VAC Steering Committee continues to meet regularly and to operate effectively in collaboration with the OCCA board of directors and the VAC's primary building partners. The VAC Steering Committee includes representatives from the Newport City Council, the OCCA board and staff, the Coastal Arts Guild and the Yaquina Arts Association, as well as community members serving as at-large committee members. Mike Kloeck is the current chair of the VAC Steering Committee. City Council member Mark Saelens serves as the City Council liaison to the VAC Steering Committee. (See attachment A for the current VAC Steering Committee roster.)

## **2. Recent Accomplishments (FY 15-16, to date)**

### **a. Governance**

- i. The VAC Steering Committee continues to meet on a monthly and as-needed basis. In the current fiscal year, the VAC Steering Committee has held 10 meetings at the Newport Visual Arts Center. The VAC Steering Committee meetings are held at 10am on the first Tuesday of the month. City Council members, community representatives and the general public are welcome to attend meetings.
- ii. The VAC Steering Committee has filled vacancies on the committee and has invited community participation.

### **b. Building Usage**

- i. The VAC hosted 20 exhibitions during FY15-16 to date, drawing over 12,515 visitors.
- ii. The VAC hosted 41 rental partners during FY15-16 to date.
- iii. OCCA and the VAC Steering Committee have successfully created the new "Art Fridays" youth-arts program on site at the VAC, drawing over 130 students during the fall 2015 and winter 2016 sessions. Nine instructors have been recruited to the program. The spring session has been finalized and the summer session is in planning. As part of the Art Fridays program development, extensive outreach was conducted to Newport principals and staff at Newport High School, Newport Middle School, Sam Case Elementary and Yaquina View Elementary.
- iv. A new "Youth Arts Advisory Group" was established as a subcommittee of the VAC Steering Committee. Community member Janet Webster serves as the chair of the new advisory group. A community survey is being developed to gather further information on youth-arts education opportunities and challenges in Newport and greater Lincoln County.
- v. The VAC Steering Committee entered into a new partnership with the "Honoring Our Rivers" program, a statewide effort to encourage and

recognize student artwork and writing related to rivers and watersheds. The VAC presented an exhibit of Honoring Our Rivers student artwork. Students from the Art Fridays program submitted work to the 2016 project, with 5 Newport Middle School students chosen for publication and future exhibition. The OCCA partnered with the Honoring Our Rivers program to submit a foundation grant for teacher-training workshops to be held at the VAC for Oregon coast teachers.

- vi. A new annual “Mayors’ Show” juried exhibition was created, based on the annual PushPin exhibition in December, and curated by Newport’s sitting mayor, an additional Lincoln County mayor and the VAC’s director. The inaugural Mayors’ Show included Newport Mayor Sandy Roumagoux and Waldport Mayor Susan Woodruff.
- vii. The VAC hosted a number of summer gallery tours, open to the public during Saturday afternoons, during August and September, 2015. Additional school and community gallery tours were provided as well.
- viii. OCCA staff and the VAC Steering Committee have overseen the completion of the VAC Capital-Improvement Project, including new flooring, and wall restoration, in the VAC’s Runyan Gallery, new flooring in the VAC’s entry stairway and 2<sup>nd</sup>-floor hallway, and the conversion of existing dark room and storage area into a new classroom and media room. A ribbon-cutting ceremony for the project’s completion was held on December 5 at the VAC. Attendees included Mayor Sandra Roumagoux, City Manager Spencer Nebel, City Council members Mark Saelens, Wendy Engler and Laura Swanson, and representatives from the OCCA board and staff, and building partners the Coastal Arts Guild and the Yaquina Art Association. The Ford Family Foundation was recognized for their lead grant on the project.
- ix. A new 2<sup>nd</sup>-floor classroom/media room will increase the VAC’s program space by 350 square feet.
- x. Existing storage areas have been reconfigured to meet building and safety needs.
- xi. The OCCA has increased public exposure to VAC programming through social media and other marketing efforts.
- xii. VAC Steering Committee and architect Bob White are drafting a building survey and long-range planning document.
- xiii. A new marketing brochure is near completion to better conduct community outreach for the rental rooms at the VAC.
- xiv. The OCCA hired a new associate manager to support building operations at the VAC, including building rentals and community outreach, partner and volunteer relationships, exhibition support and day-to-day building activities. (New position is currently on interim basis.)

### **c. Finances**

- i. VAC-related budgets provided by the City have been reviewed by the VAC Steering Committee on a quarterly basis. The VAC director regularly meets with the City's chief financial officer to review budgets and activity reports.
- ii. The VAC Steering Committee has worked with the City's finance department to better consolidate OCCA and City finances. (The FY15-16 Combined Revenue & Expenditure Summary for OCCA and the City remains a work in progress.)
- iii. The VAC Steering Committee and OCCA board have approved new room rental rate fees for FY16-17. (See Attachment C), based on the 5-year plan's recommendations approved in the March 16, 2015 report.
- iv. The VAC Steering Committee has reviewed year-1 results in context of the 5-Year Financial Action Plan.
- v. New funding has been secured through the VAC maintenance fund.
- vi. New funding has been secured through the OCCA Youth Arts-Learning Fund and the new Nancy Jane Reid Fund for Youth-Arts Learning.
- vii. Private giving to the VAC has increased with the use of new donation boxes.
- viii. As listed in the OCCA's FY14-15 report, the VAC generated \$124,601 in total economic impact to the City of Newport's economy.

## **3. Recommendations**

--See Attachment B for updates to FY15-16 recommendations

### **a. Governance**

- i. Develop a better process to coordinate building improvements to the VAC between the Steering Committee and the City.
- ii. Change name of "VAC Maintenance Fund" to "VAC Building Fund."

### **b. Finance**

- i. Continue financing the VAC under the current shared responsibilities for the FY 2016-17 (July 1, 2016--June 30, 2017) and gain a higher confidence level in the financial statements for the VAC.
- ii. Accept updated rental fees for FY 2016-17, as directed by VAC 5-Year Financial Plan (approved by City Council, March 16, 2015). (See Attachment C)
- iii. Accept update on 5-Year Financial Action Plan (See Attachment E)

### **c. Building Usage**

- i. Accept updated rental policies and guidelines.(See attachment D)
- ii. Accept updates to March 16, 2015 recommendations regarding building usage. (See Attachment B)

### **d. Capital-Improvement Recommendations**

- i. Continue funding capital-improvements from FY2015-16 (VAC art doors)
- ii. Encourage support to formal recommendation by Department of Public Works for weatherization of the VAC (addressing the root cause of water intrusion into the building) and painting of VAC's exterior.
- iii. Encourage the Department of Public Works to develop and present a scheduled maintenance plan for the VAC.

#### **4. Attachments**

- a. VAC Steering Committee roster
- b. VAC Steering Committee updates to 2015-16 recommendations
- c. VAC FY16-17 rental fees
- d. VAC updated rental guidelines and policies
- e. VAC Steering Committee update to "VAC 5-Year Financial Action Plan"
- f. VAC Steering Committee and building partners FY15-16 in-kind donations

# **Attachment A**

## **Newport Visual Arts Center (VAC)**

### **Steering Committee**

#### **Member Roster – April 2016**

Clint Ayer (at-large)

Ken Hartwell (Yaquina Arts Association)

Ellen Hertell (OCCA, board member, on leave)

Dietmar Goebel (at-large)

Mike Kloeck (at-large, chair)

Kay Moxness (OCCA, board member)

Mary Peterson (Coastal Arts Guild)

Catherine Rickbone (OCCA executive director)

Mark Saelens (City Council liaison)

Tom Webb (OCCA VAC director)

Janet Webster (Youth Arts-Education Advisory Group representative)

Bob White (at-large)



# Attachment B

## Update on 2015 Recommendations to the Newport City Council from the OCCA and VAC Steering Committee

(Originally submitted March 16, 2015)

(Updated April 18, 2016)

### GOVERNANCE

G1) The Newport City Council should accept the attached by-laws for the VAC Steering Committee, as approved by the Steering Committee and the OCCA board of directors, to guide ongoing Steering Committee governance. **Action: By-Laws Approved**

G2) The VAC will establish “Friends of the VAC” to raise funding for major capital expenses to offset a portion of the City’s share of building improvements that will be needed to maintain this facility in good shape with the goal of raising \$10,000 per year for these purposes through private fundraising, grants and other means. Currently, the “VAC Maintenance Fund,” an account held through OCCA, accepts such private donations to support smaller capital expenses. The “VAC Maintenance Fund” will be renamed “Friends of the VAC.” **Action: “VAC Maintenance Fund” name will be changed to “VAC Building Fund.”**

G3) The VAC Steering Committee will continue to investigate establishing an account with the Lincoln County Community Foundation, so as to maintain flexibility in receiving larger grants and private donations for larger public buildings. **Action: VAC Steering Committee decided not to set up account with Lincoln County Community Foundation at this time.**

G4) The Steering Committee will review and evaluate the use of the VAC by its key stakeholders to determine whether sufficient financial support is being provided toward the operation of the VAC by these key component groups, including the services provided by these organizations free to the public, and will report this evaluation on an annual basis as part of the budget request. **Action: This review is ongoing.**

G5) The Steering Committee will continue to track in-kind volunteer hours provided toward the professional operation and maintenance of the VAC, as well as educational opportunities provided through the VAC, and include this information with the required budget requests as outlined above. **Action: The VAC Steering Committee continues to track in-kind volunteer hours, as well as in-kind discounted services.**

G6) The Newport City Council should accept the attached Proposal Form as the method for the VAC Steering Committee to communicate building improvement needs to the City. **Action: Proposal Form remains in use.**

## FINANCE

F1) Continue financing the VAC under the current shared responsibilities for the FY 2015-16 (July 1, 2015–June 30, 2016) in order to gain a higher confidence level in the financial statements for the VAC. **Action: A higher confidence level in the financial statement for the VAC was attained and continues.**

F2) The City will provide the VAC Steering Committee with quarterly reports of expenditures tracked by activity code. **Action: Quarterly reports of expenditures have begun to be provided by the City and reviewed by the VAC Steering Committee on a regular basis.**

F3) OCCA will provide the VAC Steering Committee with quarterly financial reports for expenditures incurred by the VAC. **Action: OCCA has provided financial reports upon request of the VAC Steering Committee.**

F4) In addition to the OCCA management report to the City, it is the goal of the VAC Steering Committee to submit an annual budgetary request with a focus on capital improvements to the OCCA and the City in April 2015 for the 2015-16 fiscal year and in accordance with City and OCCA budget schedules in future fiscal years. **Action: The VAC Steering Committee submitted budgetary requests for capital improvements for FY2015-16 (VAC art doors) and has submitted budgetary requests for capital improvements in April 2016 for FY16-17.**

F5) The VAC Steering Committee in conjunction with the City and the OCCA will submit a simplified financial structure to the City Council and OCCA Board in February 2016 with the intent of simplifying, updating and improving the financial model for the VAC, which would likely include, for example, having OCCA collect rents and the City reduce its building expenses at the VAC, and other similar modifications once there is a higher level of confidence in the financial reporting by the City for the VAC. **Action: Ongoing review.**

F6) The Steering Committee will work to increase the rental revenue through increased usage of the VAC by 10% per year over the next five years. **Action: See Attachment E ("Update on 5-Year Financial Action Plan")**

F7) The Newport City Council should accept the attached new rental rates as approved by the VAC Steering Committee and the OCCA board of directors. Changes in rates will take effect upon acceptance. **Action: Rental rates were increased for FY15-16.**

F8) The Steering Committee will annually evaluate the rental rates with the goal of increasing rates by 12% per year for 5 years. **Action: Rental rates for FY16-17 have been submitted to City for approval. See Attachment C.**

F9) The Steering Committee recommends that the rental rates for the VAC be increased in 2015-16 and reviewed as part of budgetary processes in subsequent fiscal years, indicating current and recommended rental rate increases. **Action: The VAC Steering Committee has submitted new rental rates for 2016-17 to the City's Finance Office.**

F10) The City may authorize the OCCA to collect rents and submit them collectively to the City to avoid VAC customers writing multiple checks as is the current practice. **Action: The VAC Steering Committee did not make a recommendation to collect building rental checks.**

F11) The City should accept the VAC Steering Committee's attached Financial Action Plan, as approved by the OCCA board of directors, as a set of goals with which to work toward greater financial sustainability. **Action: See Attachment E ("Update on VAC 5-Year Financial Action Plan")**

F12) The VAC Steering Committee supports, in partnership with the City, the development of a building capital plan and survey. **Action: A building survey has been drafted and has been submitted for pending review and adoption by the VAC Steering Committee.**

#### BUILDING USAGE

B1) The Newport City Council should accept the attached VAC Building Usage Handbook table of contents as a draft outline for the final Building Usage Handbook under development. **Action: The VAC Building Usage Handbook has been started but not completed.**

B2) The Newport City Council should accept the attached Rental Guidelines and Policies, as approved by the Steering Committee and OCCA board, as the current and ongoing policies related to building usage by outside renters. **Action: Rental Guidelines and Policies were adopted and put into use.**

B3) The Newport City Council should accept the attached Punch List as a reference to building improvements during FY14-15. **Action: A VAC punch list for building improvements has been maintained.**

B4) The Newport City Council should accept the attached List of Accomplishments to recognize the scope and quality of work performed by the Steering Committee and OCCA to make building and planning improvements during FY14-15. **Action: None required.**

# Attachment C

## Newport Visual Arts Center Fees and Charges (FY16-17)

### Rm. 205

#### **Nonprofit (admission, tuition fee event)**

\$17 per hour/\$110 max/2-hour minimum

\$10% of gross or tuition

Kitchen Use: \$25 flat fee

Renter's Cleaning Deposit (refundable): \$50

#### **Nonprofit (NO admission, tuition fee event)**

\$17 per hour/\$110 max/2-hour minimum

Kitchen Use: \$25 flat fee

Renter's Cleaning Deposit (refundable): \$50

#### **Private (admission, tuition fee event)**

\$27 per hour/\$270 max/2-hour minimum

\$10% of gross or tuition

Kitchen Use: \$25 flat fee

Renter's Cleaning Deposit (refundable): \$75

#### **Private (NO admission, tuition fee event)**

\$27 per hour/\$270 max/2-hour minimum

Kitchen Use: \$25 flat fee

Renter's Cleaning Deposit (refundable): \$75

### Rm. 302

#### **Nonprofit (admission, tuition fee event)**

\$12 per hour/\$75 max/2-hour minimum

\$10% of gross or tuition

Renter's Cleaning Deposit (refundable): \$50

#### **Nonprofit (NO admission, tuition fee event)**

\$12 per hour/\$75 max/2-hour minimum

Renter's Cleaning Deposit (refundable): \$50

#### **Private (admission, tuition fee event)**

\$17 per hour/\$150 max/2-hour minimum

\$10% of gross or tuition

Renter's Cleaning Deposit (refundable): \$75

**Private (NO admission, tuition fee event)**

\$17 per hour/\$150 max/2-hour minimum

Renter's Cleaning Deposit (refundable): \$75

**Rm. 207 (NEW)**

**Nonprofit (admission, tuition fee event)**

\$12 per hour/\$75 max/2-hour minimum

\$10% of gross or tuition

Renter's Cleaning Deposit (refundable): \$50

**Nonprofit (NO admission, tuition fee event)**

\$12 per hour/\$75 max/2-hour minimum

Renter's Cleaning Deposit (refundable): \$50

**Private (admission, tuition fee event)**

\$17 per hour/\$150 max/2-hour minimum

\$10% of gross or tuition

Renter's Cleaning Deposit (refundable): \$75

**Private (NO admission, tuition fee event)**

\$17 hour/\$150 max/2-hour minimum

Renter's Cleaning Deposit (refundable): \$75

**Notes:** These rates reflect 12% increase from FY15-16 to FY16-17, as outlined in the VAC 5-Year Financial Action Plan (approved by City Council on March 16, 2015. Rates to take effect July 1, 2016. Rates submitted to City Finance Office on March 15, 2016. New classroom/media room (Room 207) is not currently being marketed and rates are based on Room 302.

**Attachment D:** Note: New Items, “Smoke/Fire Alarm” and “Trash/Recycling” in red. No other changes.



## OREGON COAST COUNCIL FOR THE ARTS

## NEWPORT VISUAL ARTS CENTER RENTAL GUIDELINES AND POLICIES

The Newport Visual Arts Center (VAC) is owned by the City of Newport (“City”) and managed by the Oregon Coast Council for the Arts (OCCA). These rental guidelines and policies are designed to ensure the safe usage of the VAC and to protect the City’s investments in the building.

**KEYS:** Before acceptance of entry key, renters must sign a rental application form or an invoice and arrange for key pick up prior to event. All keys must be returned as instructed. A replacement fee of \$50 will be charged for unreturned keys.

**ACCESS** and rental of a VAC classroom provides access to the room and second floor rest rooms. Rental does not provide access to the first floor or other rooms in the building. Access the building through the second- or third-story entrances and do not provide access through the first-floor entrance. Access through the first-floor entrance is prohibited. The exterior door that provides access to your rental room may remain unlocked during your rental period; all other doors must remain locked. Rental of Room 205 (2W) includes use of 12 8x3 tables, and 3 6x3 tables, up to 75 chairs, white board, projector screen and access to kitchen for counter space and making coffee. Rental of Room 302 (3W) includes use of 4 5x2.5 foot tables, 14 chairs, a projector screen and a small kitchen for making coffee.

**PAYMENT PRIOR TO EVENTS:** Rental payments must be received before actual event(s). Rentals are not considered confirmed until time of payment.

**CHECK-OUT LIST:** See attached check-out list and follow closely. Return signed check-out list with keys in the envelope provided.

**ROOM CAPACITY:** Renters are responsible for not exceeding room capacity, so as to provide for the safety of all users and to meet fire codes. The total capacity for Room 205 is 75 persons; capacity for 302 is 25 persons.

**SMOKE/FIRE ALARM:** In the case of a smoke or fire alarm being activated, renters must exit the building immediately through the nearest exit and await confirmation that the building is safe before re-entering.

**FIRE EXITS:** Do not block any fire exits (doors with exit signs above them).

**DECORATIONS, WALLS, WINDOWS AND MIRROR:** Free-standing decorations are preferred. Do not affix anything to ceiling, walls, doors or columns. Only masking tape (blue painters tape preferred) may be used to affix items to windows. No pushpins. Candles or open flames are prohibited. Do not move hanging mirror without prior permission.

**SMOKING:** Smoking is prohibited inside all rooms and within 10 feet of entry doors and windows.

**TRASH/RECYCLING:** The building trash/recycling area is south of the exterior entrance to Room 205 (second floor) and is unlocked. Green bins are for trash; blue bins are for recycling. Glass items are not recyclable at this location and must be taken by renters upon leaving the building. Please limit your use of trash bins to one large trash bag and one bag of recyclables (provided).

**NOISE:** Renters are responsible for following local noise ordinances. After 10pm, restrict noise outside the building.

**WEAPONS AND CONTROLLED SUBSTANCES:** Weapons and controlled substances are strictly prohibited.

**ALCOHOL:** Alcohol must be served responsibly in accordance with the Laws, Rules Regulations of the State of Oregon Liquor Control Commission. Alcoholic beverages may not be sold without proper permits. Alcoholic beverages cannot be served to any person who is under the age of 21. Alcoholic beverages cannot be served to any person who is visibly intoxicated.

**MINORS:** Renters must be 18 years of age or older. Activities for minors, age 17 and under, must be supervised by adults.

**SCHEDULING, CANCELLATIONS AND REFUNDS:** Rooms will be scheduled on a first-come, first-served basis. Reservations may be made up to a maximum of twelve (12) months prior to the desired date and are preferred at least 24 hours prior to the rental. The date is reserved when application and payment are received. Full refunds will be granted one calendar week before rental date; 50% refund will be granted 72 hours before rental date; and no refunds will be granted without 72-hour notice. Refunds will not be made for events not utilizing the full rental time period.

**DISRUPTIVE USES:** Users of the rental rooms may be asked to leave if use is deemed disruptive or in any way contrary to OCCA policy. OCCA staff may enter and remain in a meeting room during a scheduled event.

**GENERAL LIABILITY:** All rental rates are based on regular and normal wear and tear. Usage beyond regular and normal use will result in extra charges. Any property damage beyond normal wear and tear may be replaced or repaired at the option of the City or the OCCA Board of Directors at the user’s expense. Liability will be the actual repair or replacement cost. The applicant holds the City and OCCA, their employees, and agents harmless from any claim, loss, or liability arising out of or related to the applicant’s use of the premises, or from any condition of the used premises, including any such claim, loss or liability which may be caused by or contributed to in whole or in part by the City or OCCA, their employees and agents. The applicant indemnifies the City and OCCA, (1) for any damage to the City’s or OCCA’s property occurring during the use thereof, whether or not the applicant is responsible therefore and (2) for expenses and costs, including attorney’s fees, incurred by the City or OCCA or its employees and agents, in defending against any claims or demands for losses or liability arising from or related to the applicant’s use of the premises.

Signature \_\_\_\_\_ Printed Name \_\_\_\_\_

**FAILURE TO FOLLOW THESE GUIDELINES AND ATTACHED CHECK-OUT LIST COULD RESULT IN FORFEITURE OF ROOM DEPOSIT OR FUTURE USE PRIVILEGES.**

If you have special needs or questions, please contact Emily Saunders, 541-265-6540,  
or Tom Webb, 541-265-6569, to make arrangements.

**VAC Five-Year Action Plan  
Year 1 Update**

**March 31, 2016**

<b>Revenue</b>	<b>FY14-15 (Base Goal)</b>	<b>FY14-15 (Actual)</b>	<b>FY15-16 Goal</b>	<b>FY15-16 (To date)</b>	<b>FY15-16 (Projected)</b>
<b>Operating Revenue</b>					
Room Rentals	\$10,000	\$12,274	\$12,200	\$7,309	\$9,745
Donations & FoV	\$1,200	\$1,592	\$1,380	\$3,206	\$4,274
Building (Maintenance) Fund	\$2,500	\$4,575	\$2,625	\$1,084	\$1,445
Art Sales (30-40% commission)	\$3,700	\$3,403	\$4,070	\$3,476	\$4,634
Paper Arts Festival	\$5,000	\$8,570	\$5,500	\$8,570 (estimated)	\$8,570 (estimated)
New Arts Festival	\$0	\$0	\$3,000	\$0	\$0
<b>Total Operating Revenue:</b>	<b>\$22,400</b>	<b>\$30,414</b>	<b>\$28,775</b>	<b>\$23,645</b>	<b>\$28,668</b>
<b>Capital-Improvement Revenue</b>					
Foundations and sponsors	\$0	\$16,700	\$4,000	\$0	\$0
<b>In-Kind Contributions (for general building operations, goal: 10%)</b>					
	\$38,500	\$38,500	\$42,350	\$38,485	\$51,478

**Notes:**

1. Room Rentals paid to City; goals: 12% rate increase, 10% usage increase
2. Donations and Friends of VAC paid to OCCA; goal: 15% increase
3. VAC Building Fund paid to OCCA for building improvements; goal: 5% increase
4. Art Sales Commission paid to OCCA; goal: 10% increase. OCCA sales commissions increased in FY15-16 from 30% to 35% (OCCA members) and 35% to 40% (non-OCCA members)
5. Capital-Improvement revenue through Foundations and Sponsors received in FY14-15 and spent in FY15-16 (carryover not included above)
6. Newport Paper Arts Festival paid to OCCA, goal: 10% increase. Estimated net revenue based on current sales (festival to be held April 22-24, 2016)
7. New arts festival revenue paid to OCCA. New arts festival is still being considered.
8. In-kind contribution base year is actual in-kind contributions for FY14-15. Goal: 10% increase

**OCCA/Newport Visual Arts Center****In-Kind Donations**

VAC Steering Committee: Report to City, April 18, 2016

<b>Organization/Partner</b>	<b>Base-Year FY14-15</b>	<b>YR1 (goal) FY15-16</b>	<b>YR1 (to date) FY15-16</b>	<b>YR1 (projected) FY15-16</b>
<b>Oregon Coast Council for the Arts (OCCA)</b>				
--Upstairs Volunteers (\$10 per hour)	\$2,360	\$2,596	\$2,880	\$3,840
--Receptions/Tours (\$10 per hour)	\$600	\$660	\$335	\$446
--Committees (programs/outreach) (\$18/hour)	\$3,240	\$3,564	\$2,430	\$3,240
--Committees (leadership/planning) (\$18/hour)	\$648	\$712	\$486	\$648
--Admin/reporting (\$10 per hour)	\$0	\$0	\$1,422	\$1,896
--In-Kind Capital-Improvement (market value)	\$0	\$0	\$5,200	\$5,200
--Youth Arts Advisory Group (\$18 per hour)	\$0	\$0	\$684	\$1094
Sub-total (OCCA)	\$6,858	\$7,532	\$13,437	\$16,364
<b>Coastal Arts Guild (CAG)</b>				
--Docent/staffing/receptions (\$10 per hour)	\$10,360	\$11,396	\$8,740	\$12,920
--Landscaping (labor) (\$10 per hour)	\$1,350	\$1,485	\$1,512	\$2,466
--Landscaping (supplies)(market value)	\$300	\$330	\$0	\$0
Sub-total (CAG)	\$12,010	\$13,211	\$10,252	\$15,386
<b>Yaquina Arts Association (YAA)</b>				
--Teaching (annual value, \$18 per hour)	\$12,528	\$13,780	\$9,396	\$12,528
Sub-Total (YAA)	\$12,528	\$13,780	\$9,396	\$12,528
<b>VAC Steering Committee</b>				
--Committee participation (\$18 per hour) Avg. 10 committee members	\$7,200	\$7,920	\$5,400	\$7,200
Sub-Total (VAC Steering Committee)	\$7,200	\$7,920	\$5,400	\$7,200
<b>TOTAL</b>	<b>\$38,586</b>	<b>\$42,444</b>	<b>\$38,485</b>	<b>\$51,478</b>

**Notes:**

1. Actual in-kind donations for FY14-15 serve as base year
2. Goal: increase in-kind donations by 10% per year
3. In-kind capital improvement support includes discounted flooring materials and installation, professional services and general labor
4. OCCA committees (program/outreach) are standing and ad hoc committees, i.e, marketing, exhibitions, community outreach
5. OCCA committees (leadership/planning) are the OCCA board and personnel committee



## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:7.B.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **From Councilor Engler Discussion About Code Provisions Relating to the Conversion of Residential Properties to Vacation Rentals.**

#### **Background:**

Councilor Engler has requested that a discussion about the code provisions relating to the conversion of residential properties to vacation rentals be added to the April 18 agenda. I have attached a copy of the city's ordinance that was approved to 2012 relating to the vacation rentals and bed and breakfast facilities for your review. If the City Council is interested in proceeding with this discussion, I would suggest the Council refer the matter back to the city administration for a report on this issue and discussing alternatives the Council could have in moving forward with this matter.

#### **Recommendation:**

No recommendation at this time.

#### **Fiscal Effects:**

None

#### **Alternatives:**

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager

CITY OF NEWPORT

ORDINANCE NO. 2032

AN ORDINANCE AMENDING THE NEWPORT ZONING ORDINANCE  
(ORDINANCE NO. 1308, AS AMENDED) RELATING TO  
VACATION RENTALS AND BED AND BREAKFAST FACILITIES

Findings:

1. The City of Newport Zoning Ordinance (No. 1308, as amended) contains criteria that apply to the use of dwelling units as vacation rentals or bed and breakfast facilities inside the City of Newport. The criteria are found in Section 2-1-1.101 ("Definitions"), Section 2-2-1 ("Zoning Districts") and Section 2-4-11 ("Bed and Breakfast Facilities") of the Ordinance.
2. These criteria set out the terms and procedures by which vacation rental and bed and breakfast uses may be permitted for the purpose of ensuring the safety and convenience of renters, owners and neighboring property owners; protecting the character of residential neighborhoods; and addressing potential negative effects such as excessive noise, overcrowding, illegal parking, and accumulation of refuse.
3. The City of Newport Planning Commission and an Ad-Hoc Work Group of community volunteers completed a comprehensive review of these code sections and determined that amendments are needed because the existing rules are difficult to interpret and enforce and, in the case of conditional uses, have led to inconsistent application and implementation of the requirements over time.
4. The City of Newport Planning Commission and the Ad-Hoc Work Group further find that creating clear and objective criteria to allow vacation rentals and bed and breakfast facilities in all residential zones is a more effective method of achieving the purpose of the regulations than existing requirements that limit vacation rentals or bed and breakfast uses through the imposition of discretionary criteria or arbitrary occupancy limits.
5. The Ad-Hoc Work Group, in consultation with the Newport Planning Commission, met seven (7) times between March and November of 2011 to develop draft amendments (File No. 1-Z-11). The Planning Commission met six (6) times in work session during this same time period to review the amendments. Following public hearings on January 9, 2012 and February 27, 2012, the Planning Commission voted to recommend adoption of the proposed amendments.
6. Prior to the Planning Commission hearings, a public workshop was held on September 12, 2011 at which the general public was provided an opportunity to comment on the proposed amendments. Mail notice of the workshop was provided to persons that will be subject to these regulations with an August water billing mailing. A stakeholder list compiled by the city of persons operating vacation rentals also received the notice.

7. The City Council held a public hearing on March 19, 2012 regarding the question of the proposed revisions and voted in favor of their adoption after considering the recommendation of the Planning Commission and evidence and argument in the record.
8. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council public hearings.

**THE CITY OF NEWPORT ORDAINS AS FOLLOWS:**

**Section 1.** The above findings are hereby adopted as support for the Council's Land Use Code amendments, below.

**Section 2.** Definitions for the terms "Bed and Breakfast Facility," "Hotel," "Motel," and "Residential Unit," of Section 2-1-1.101 of Ordinance No. 1308 (as amended), Definitions, are amended as follows:

- A. **Bed and Breakfast Facility.** An owner occupied single-family dwelling containing not more than five (5) guest rooms, where meals are provided for a fee on a daily or weekly room rental basis, not to exceed 30 consecutive days.
- B. **Hotel.** A building in which lodging is provided for guests for compensation and contains a common entrance and where lodging rooms do not have an entrance opening directly to the outdoors (except for emergencies), with or without cooking facilities, and where more than 50 percent of the lodging rooms are for rent to transient guests for a continuous period of less than 30 days. A bed and breakfast facility or a vacation rental conducted in a single family dwelling or individual dwelling unit is not a hotel use.
- C. **Motel.** A building or group of buildings in which lodging is provided for guests for compensation, containing guest units with separate entrances from the building exterior, with or without cooking facilities, and where more than 40 percent of the lodging rooms are for rent to transient guests for a continuous period of less than 30 days. A bed and breakfast facility or a vacation rental conducted in a single family dwelling or individual dwelling unit is not a motel use.
- D. **Residential Unit.** See definition of "Dwelling Unit."

**Section 3.** A definition for the term "Vacation Rental" is added to Section 2-1-1.101 of Ordinance No. 1308 (as amended), Definitions, as follows:

**Vacation Rental.** A dwelling unit containing not more than five (5) guest rooms that is rented for less than 30 consecutive days.

**Section 4.** Definitions for the terms "Pre-existing Time Share Project," "Time Share Interest," "Time Share Project," and "Weekly Rental," of Section 2-1-1.101 of Ordinance No. 1308 (as amended), Definitions, are deleted.

Section 5. Subsection 2-2-1.025(11) of Ordinance No. 1308 (as amended), Zoning Districts/Residential Uses is amended to list a "Bed and Breakfast Facility" and "Vacation Rental" as permitted uses in all residential zone districts subject to endorsement requirements of Section 2-4-11.

Section 6. Section 2-4-11 of Ordinance No. 1308 (as amended), Bed and Breakfast Facilities, is repealed in its entirety and replaced with a new Section 2-4-11, as shown in Exhibit "A".

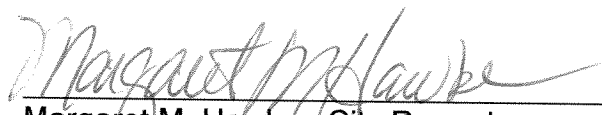
Section 7. This ordinance shall take effect on July 1, 2012.

Adopted on April 2, 2012.

Signed by the Mayor on April 3, 2012.

  
\_\_\_\_\_  
Mark McConnell, Mayor

ATTEST:

  
\_\_\_\_\_  
Margaret M. Hawker, City Recorder

**Section 2-4-11. BED AND BREAKFAST AND VACATION RENTAL FACILITIES**

**2-4-11.005. Purpose.** This section establishes the terms, criteria and procedures by which bed and breakfast and vacation rental uses may be permitted to ensure the safety and convenience of renters, owners and neighboring property owners; protect the character of residential neighborhoods; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and accumulation of refuse.

**2-4-11.010. General Provisions.**

- A. Vacation rental and bed and breakfast use of an existing dwelling unit is permitted in all residential and commercial zone districts subject to a business license endorsement ("endorsement") pursuant to the provisions of this section;
- B. An endorsement for a vacation rental or bed and breakfast use is specific to the owner of a dwelling unit. When the holder of an endorsement sells or transfers the real property, the new owner shall obtain an endorsement before using the dwelling unit as a vacation rental or bed and breakfast facility. However, if a vacation rental or bed and breakfast use was in existence on such real property as of the effective date of subsection 2-4-11.010(D), that subsection shall apply to the transferee as well;
- C. Vacation rental or bed and breakfast endorsements shall remain in effect so long as a valid business license is maintained for the rental use and the property is not sold or transferred;
- D. Each vacation rental and bed and breakfast use in existence as of the effective date of this section shall be subject to the provisions of this section.
  - (1) A business license endorsement shall be applied for within one hundred twenty (120) days of the effective date of the ordinance enacting this section. In the event an owner previously established a vacation rental or bed and breakfast facility use in accordance with applicable City of Newport land use codes, the City shall permit the existing land use to continue without requiring compliance with standards listed in subsection 2-4-11.025 relating to maximum overnight occupancy, parking, landscaping, and shared access. The exemption to standards in subsection 2-4-11.025 listed herein shall not apply to vacation rentals operated not more than ten times in a calendar year.
  - (2) A prior land use approval shall be voided and the standards of 2-4-11.025 complied with if:
    - (a) an owner fails to apply for an endorsement within one hundred twenty (120) days of the effective date of the ordinance; or
    - (b) a business license lapses for at least 12 consecutive months.

(3) The provisions of this subsection 2-4-11.010 govern, notwithstanding NZO Section 2-5-1, governing Nonconforming Uses, Structures, and Lots;

- E. If one or more of the standards under subsection 2-4-11.025 cannot be met, an owner may seek approval of a vacation rental or bed and breakfast use as a Conditional Use, pursuant to Section 2-5-3 of this Ordinance. A Conditional Use Permit may allow relief from one or more of the endorsement standards of subsection 2-4-11.025, but does not excuse the general NZO Section 2-4-11 endorsement requirement.

**2-4-11.015. Approval Authority.**

- A. Upon receipt of an application for a vacation rental or bed and breakfast endorsement, the Community Development Director, or designee shall determine if the request satisfies the standards of subsection 2-4-11.025. If the request satisfies the standards, then the Director shall issue the endorsement and provide notice per subsection 2-4-11.035. Such action is ministerial and, as a non-discretionary act, is not subject to appeal. The endorsement is effective upon satisfaction of the inspection requirements of subsection 2-4-11.030.
- B. In the event that the Community Development Director or designee determines that an application does not meet one or more of the standards of subsection 2-4-11.025, an endorsement shall not be issued.
- C. A Conditional Use Permit application for a vacation rental or bed and breakfast use shall be submitted to the Community Development Director, or designee, and shall be reviewed by the Planning Commission via a Type III decision making process, consistent with NZO Section 2-6-1, Procedural Requirements.
- D. An approved Conditional Use Permit that grants relief from, or provides alternative requirements to, one or more of the standards of subsection 2-4-11.025 shall satisfy the standards of subsection 2-4-11.025 and permit the Director to issue the endorsement.

**2-4-11.020. Application Submittal Requirements.** An application for a vacation rental or bed and breakfast endorsement shall be submitted on a form provided by the Community Development Department, and shall include the following:

- A. Site plan, drawn to scale, showing the dimensions, property lines, existing buildings, landscaped area, and off-street parking locations;
- B. Lincoln County Assessor's map showing the subject property and notification area; and
- C. Names and addresses of property owners within 200' of the subject property (or outline of property that is held in common), as shown in the records of the County

Assessor. If the property is within a Homeowners Association, then contact information for the Association shall also be provided.

**2-4-11.025. Standards for Vacation Rental or Bed and Breakfast**

**Endorsement.** An application for a vacation rental or bed and breakfast use shall comply with the following standards:

- A. **Maximum Overnight Occupancy.** Maximum overnight occupancy shall be two (2) persons per bedroom, plus two additional persons per property;
- B. **Maximum Building Occupancy.** The maximum number of individuals permitted within a vacation rental or bed and breakfast is subject to the limitations of the Uniform Fire Code or such other provisions of said code as may be applicable;
- C. **Parking Standards.** One (1) off-street parking space per bedroom that is dedicated to the vacation rental or bed and breakfast use. The location and design of parking spaces shall comply with NZO Section 2-3-6, and designated spaces shall be available at all times to guests;
- D. **Waste Management.** Weekly solid waste disposal service shall be provided while the dwelling is occupied for vacation rental or bed and breakfast use;
  - (1) Owner or designee shall provide for regular garbage removal from the premises; and
  - (2) Trash receptacles shall be stored or screened out of plain view of the street.
- E. **Landscaping.** For vacation rental and bed and breakfast uses situated on individual lots or parcels in residential zones, at least 50% of the front yard and 40% of the total area shall be landscaped. No more than 50% of the front yard landscaping may be impervious surfaces, such as patios and decks. Driveway and parking areas shall not satisfy any portion of these landscaping requirements;
- F. **Guest Register.** Owner or designee shall maintain a guest and vehicle register for each tenancy. The register shall include the name, home address, and phone number of the primary tenant; the total number of occupants; vehicle license plate numbers of all vehicles used by the tenants, and the date of the rental period. This information shall be provided to City emergency responders upon request;
- G. **Contact Information.** Owner or designee shall maintain on file with the City the name, telephone number, mailing address and email address (if available) of a contact person responsible for responding to questions or concerns regarding operation of the vacation rental or bed and breakfast. The contact person or designee must accept calls on a 24 hour basis and respond to inquiries from a tenant, complainant or the City within 24 hours. For the purpose of this subsection "respond" means an attempt

to contact the person or persons that made the inquiry to address their questions or concerns;

- H. Emergency Information. Owner or designee shall provide information within the dwelling unit to inform and assist renters in the event of a natural disaster, power outage, or other emergency. Required information includes, but is not limited to:
- (1) A tsunami evacuation map produced by Lincoln County Emergency Services, Oregon Department of Geology and Mineral Industries or other agency with similar authority.
  - (2) Phone numbers and addresses for emergency responders and utility providers.
  - (3) Other information as established by resolution of the City Council;
- I. Noise. Noise levels shall conform to the requirements of Chapter 8.15 of the Newport Municipal Code;
- J. Posting. A copy of the business license endorsement shall be located within the vacation rental or bed and breakfast and its location shall be posted inside the dwelling unit's primary entrance. In addition to the endorsement, such information shall include occupancy limits; a phone number and address for the designated contact; a diagram of the premises with parking locations; the maximum number of vehicles that can be parked on-site; instructions for trash pick-up, storage and recycling; emergency information; and the noise limitations of Section 8.15.015 of the Newport Municipal Code. This information shall be maintained and current at all times;
- K. Shared Access. Written consent is required from affected owners for applications that rely upon shared driveway, parking or beach access;
- L. Signs. Signs shall conform with applicable provisions of Title X of the Newport Municipal Code;
- M. Business License Required. A business license for the rental use shall be obtained pursuant to Chapter 4.05 of the Newport Municipal Code; and
- N. Room Tax. Owner or designee shall adhere to the room tax requirements of Chapter 3.05 of the Newport Municipal Code.

#### **2-4-11.030. Inspections.**

- A. A dwelling unit proposed for a vacation rental or bed and breakfast use shall be inspected by the Building Official or designee to determine its conformance with the endorsement standards of subsection 2-4-11.025 and the following basic health and safety elements:



- (1) Bedrooms shall have an egress window or exterior door that is operable, with a minimum opening size of 5.7 sq. ft., and that is located not more than 44 inches above the finished floor;
  - (2) Interior and exterior hand railing shall be secure with a maximum width of four (4) inches between guard rails on open stairs. Hand and/or guard railing shall be installed for staircases with four (4) or more risers and on decks or porches that are more than 30 inches above grade;
  - (3) Windows within a 24 inch arc of doors shall be safety glazed;
  - (4) Wood frame decks shall be structurally sound. In cases where a deck supports a hot tub or other features of a similar size and weight, engineering analysis of the supports may be required;
  - (5) Electrical plug-ins and light switches shall have face plates;
  - (6) Electric breaker boxes shall have all circuits labeled, and empty breaker spaces must be plugged;
  - (7) GFCI (Ground Fault Circuit Interrupter) protected plug receptacles shall be provided for exterior, kitchen, and bathroom plugs;
  - (8) Functioning smoke detectors shall be installed in all bedrooms and in hallways between a potential fire source and sleeping areas.
  - (9) Functioning carbon monoxide alarms shall be installed if the unit (a) contains a heater, fireplace, appliance or cooking source that uses coal, kerosene, petroleum products, wood or other fuels that emit carbon monoxide as a by-product of combustion; or (b) includes an attached garage with an opening that communicates directly with a living space. Such alarms shall be installed in compliance with State Fire Marshal Rules and any applicable requirements of the State Building Code, and there shall be available in the premises a written notice containing instructions for testing the alarm.
  - (10) Water heaters shall be strapped and secured in accordance with seismic protections standards, with a TEP (Temperature and Pressure Relief) line that is run to an approved location.
- (B) If the Building Official or designee requires alterations, the identified deficiencies must be corrected as follows:
- (1) In circumstances where the unit is already subject to a rental agreement the Building Official or designee may allow continued use, provided corrective action is taken within 30 days, or an alternative timeline acceptable to the Building Official.

- (2) For units undergoing an initial inspection prior to vacation rental or bed and breakfast use, corrective action shall be undertaken before the dwelling unit can be rented.
- (C) Dwelling units with an endorsement for vacation rental or bed and breakfast use shall be subject to periodic re-inspection by the Building Official or designee at the City's discretion to ensure compliance with the provisions of this chapter. The timeframe for such inspections is subject to the City's discretion and available resources.

**2-4-11.035. Notice Requirements.** Upon issuance of an endorsement, the City shall provide notice to property owners within 200' of the subject property (or outline of property that is held in common) and a Homeowners Association, if one is established where the dwelling unit is located, advising that an endorsement for a vacation rental or bed and breakfast use has been issued. Such notice shall include the address of the dwelling unit that received the endorsement, a location where additional information can be obtained about the nature of the endorsement, and the name, phone number, mailing address, and email address (if available) of the owner or designated contact.

**2-4-11.040. Complaints.** The designated contact identified in subsection 2-4-11.025(G) above, is the initial point of contact for complaints regarding the use of the dwelling unit. That individual shall maintain a written log documenting the nature of all complaints related to endorsement standards, the dates they were received, and efforts taken to resolve issues that have been raised. The written log shall be provided to the City upon request.

**2-4-11.045. Violations.** Penalties, as specified in subsection 2-4-11.050, may be imposed for one or more of the following violations:

- A. Advertising; renting; using; or offering for use, occupancy or rent; a vacation rental or bed and breakfast facility where the owner does not hold a valid endorsement issued pursuant to this section;
- B. Advertising; renting; using; or offering for use, occupancy or rent; a vacation rental or bed and breakfast facility in a manner that does not comply with the endorsement requirements of subsection 2-4-11.025;
- C. Failure to comply with the endorsement standards and operational requirements of this NZO Section 2-4-11;
- D. Failure by the owner to pay the transient room tax required by Chapter 3.05 of the Newport Municipal Code; or
- E. Failure of the owner's designated contact to respond to tenant, citizen or City complaints or inquiries. "Failure to respond" occurs if City staff is unable to reach

the designated contact after three attempts, using the information that the owner or designee has on file with the City.

**2-4-11.050. Penalties.** Penalties for a violation of subsection 2-4-11.045.A shall be as established in NZO Section 2-6-8. Where the owner possesses a valid endorsement or land use permit, the penalties for violations of 2-4-11.045.B-E shall be as follows:

- A. For the first violation within a 12 month period, City shall issue a written warning to owner.
- B. For the second violation within a 12 month period, City shall suspend owner's vacation rental or bed and breakfast endorsement for 30 days.
- C. For the third violation within a 12 month period: 1) City shall revoke owner's vacation rental or bed and breakfast endorsement; and 2) where an endorsement includes a Conditional Use Permit, City shall also initiate the revocation procedure as outlined under NZO Section 2-6-1.075.

## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #: 7.C.  
Meeting Date: 4-18-16

### **Agenda Item:**

From the Oregon Department of Transportation: Project Leader Jerry Wolcott regarding the US Highway 20 Construction Schedule

### **Background:**

ODOT Project Leader, Jerry Wolcott, will provide a presentation to the City Council regarding the final phase of the construction of US Highway 20 between Pioneer Mountain and Eddyville. This phase of construction will require that US Highway 20 be closed for periods of time on a daily basis during this final phase of work. In their earlier announcements, ODOT had suggested times in which US Highway 20 would be closed. I have participated, along with the Chamber, Port, and County, in discussions about the hours that ODOT had proposed for closing the road. Collectively, we would like to suggest that these hours be modified in accordance with the letter that is included with the agenda packet. If the Council is in agreement with these modifications, I would suggest that the Council authorize that a letter be sent to ODOT forwarding the City Council's suggestion on closure times for the road.

From a tourism standpoint, it is important that this be as predictable as possible through the course of the summer. This would include having the two hour closures from June 1 through July 15 be done at the same time each day or planned out in advance with good publicity as far as when these two hour closures are predicted to occur. From July 16 through October 31, ODOT was planning to have ten hour closures beginning at 6 PM at night. Our group is suggesting that the closure time be delayed until 9 or 10 PM to also push back the morning time to 5 or 6 AM. This later timeframe would allow people coming for a day visit from the valley to Newport to enjoy their day in Newport, have dinner and head back before the road closure.

Finally, there will be a day a week when there will be no closures on US Highway 20. ODOT was suggesting that Saturday be the day with no closures occurring. In discussion with various tourism interests in the community, there is a preference that Friday be the day there would be no closures on US Highway 20. This is an important travel day for tourists spending the weekend in Newport.

ODOT had provided this presentation to a number of groups in Newport, and will continue to do so to solicit information. Destination Newport has pledged to work very closely with ODOT in order to include the times when US Highway 20 will be open and or closed in their marketing efforts through the course of the summer. They also are working with ODOT on better signage off of I-5 regarding access to Newport during this construction season. Please note that some of the signage may actually be permanent signage.

Destination Newport has offered to work with the public relations firm that ODOT is hiring to work with the various stakeholders through the course of construction for 2016.

If the City Council concurs with the suggested revised times that have been reviewed by the Chamber, the Port and the County, then I would suggest the Council formally authorize a letter to that effect as an action item following this presentation.

Destination Newport is also looking at ways to formally celebrate the opening of US Highway 20 when that occurs. This, in itself, could draw folks to Newport. It is also very important to focus on the benefit that Newport will have in the long run by having a reduced travel times between Newport and I-5, with the completion of US Highway 20. This could have a significant impact on people using US Highway 20 to access the Central Coast.

**Recommendation:**

I recommend the City Council consider the following motion:

**I move to authorize the Mayor and City Manager to direct a letter to ODOT conveying the preferred times for US Highway 20 closures in order to minimize the impacts on the Newport business community.**

**Fiscal Effects:**

None directly by this motion.

**Alternatives:**

Council may not want to take a position on any hours at this time, modify the hours from the suggested memo, or any other actions as deemed appropriate by the City Council relating to this matter.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is written over a light blue circular stamp.

Spencer R. Nebel, City Manager



# US20: Pioneer Mountain – Eddyville

Project Update for 2016 (Phase 4)



Jerry Wolcott, Project Leader



## ***Pioneer Mountain-Eddyville***

- 2005: Design-Build contract awarded
  - Yaquina River Contractors
- 2012: Contract ends
  - ODOT takes over the project and begins redesign

**ODOT commits to Oregon Legislature and OTC  
to open new alignment in 2016**



## ***US20 PME***

- Three Phases of work have been completed (2012-2015)
- All have been off the highway system
- This year, that's not possible
- Some impacts are unavoidable





## *Phase 4- Design elements*

- Straightening of a sharp curve at the west end of the project
- Construction of five buttresses for landslide mitigation
- Paving, guardrail, signs, and striping
- 28 foot culvert under the highway to be used as a wildlife crossing
- Drainage
- Tie in of the old and new alignments

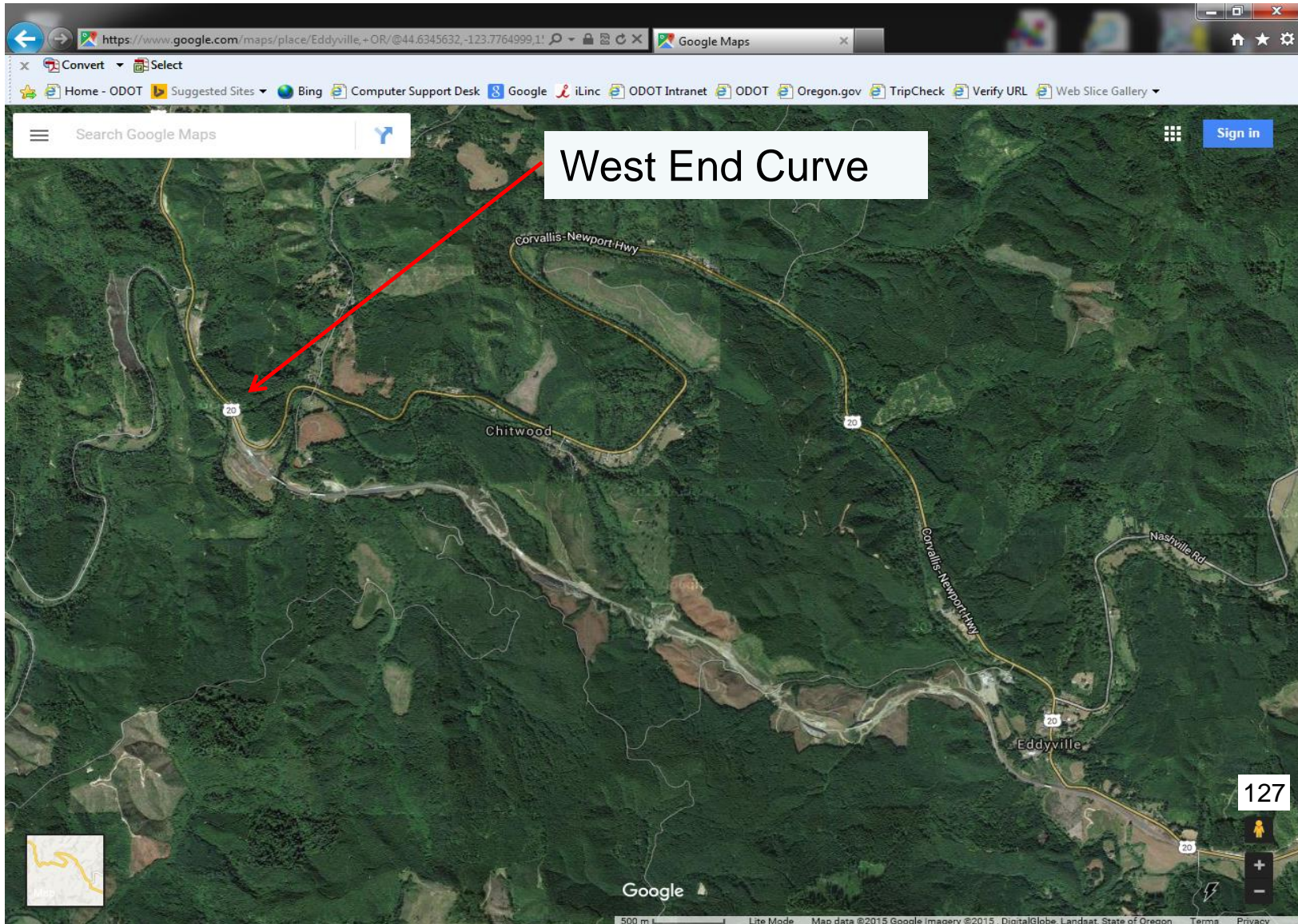


## *Time line*

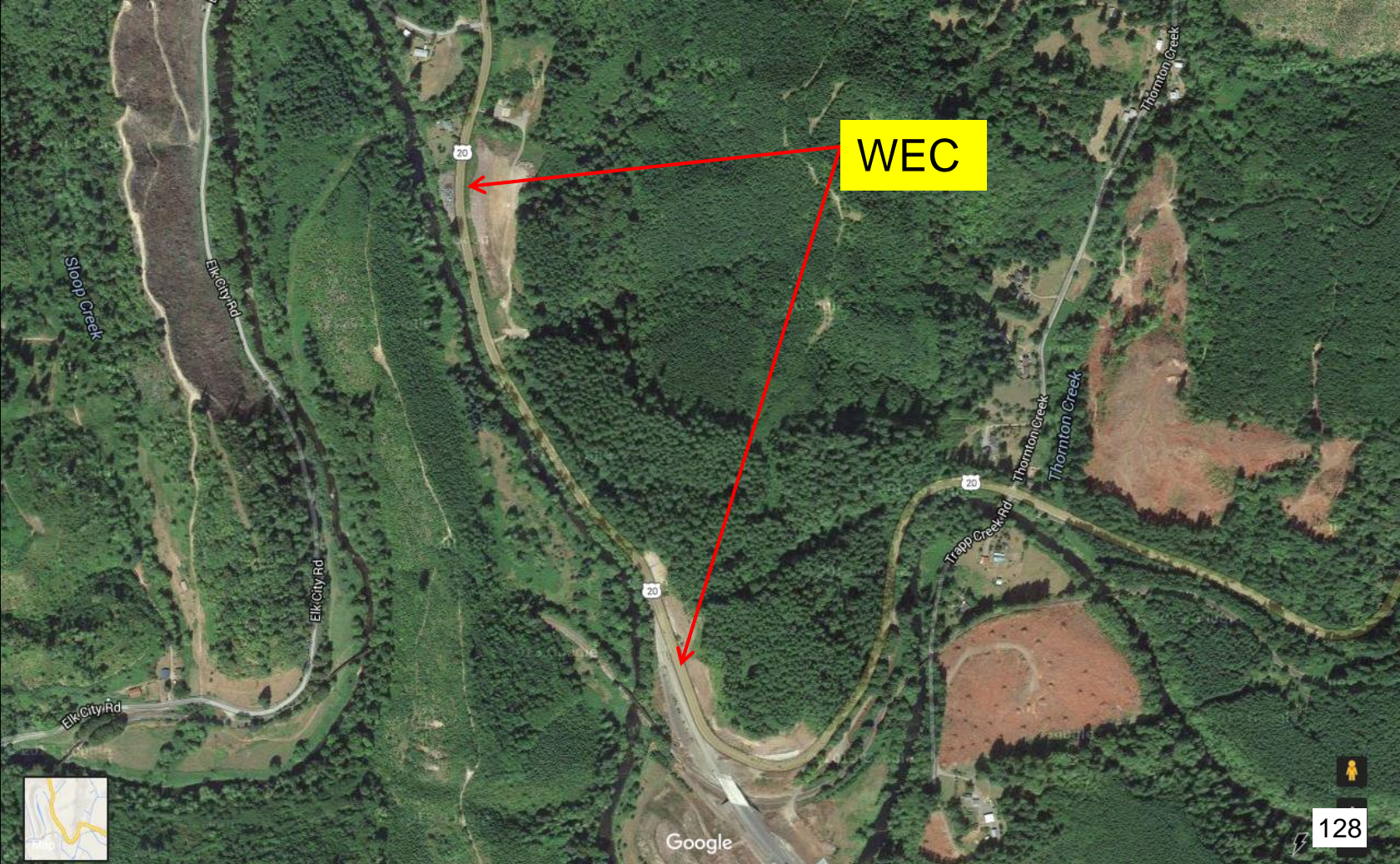
- April 28 – Open bids
- May 13 (approx) – Notice to Proceed
- June – October – Construction
  - Weather permitting (100 ave dry days/year)
- Oct/Nov - Open new alignment



## *The West End Curve*











## *West End Curve*





## ***West End curve dirt/rock removal***

- 350,000 cubic yards
  - Steep hill, roadway, close to the Yaquina river
  - Blasting (daily)
  - Blasting operations are generally conducted during daylight hours so that the area can be cleared of unexploded charges before nightfall.









01/21/2016















## ***Blasting***

- Drill the holes
- Fill with blasting agent/caps
- Blast
- Check for unexploded ordinance
  - Daylight hours





## ***PME Phase 3 Photos***







## *Equipment size*





## ***The West End Curve – Haul Bridge***







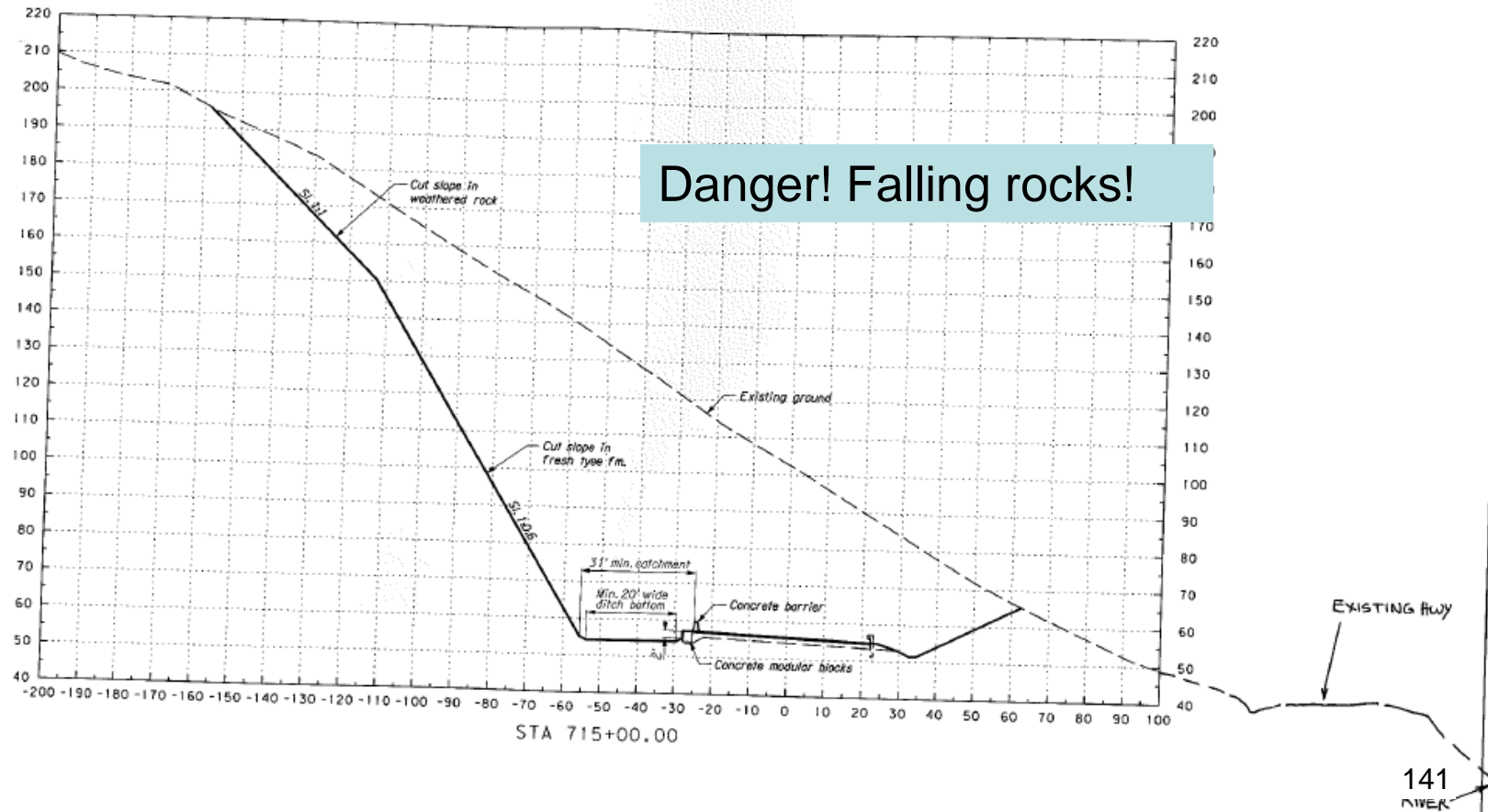
***The West End Curve dirt/rock removal:  
Cougar Creek Buttress (Landslide mitigation)  
WEC log stockpile area***





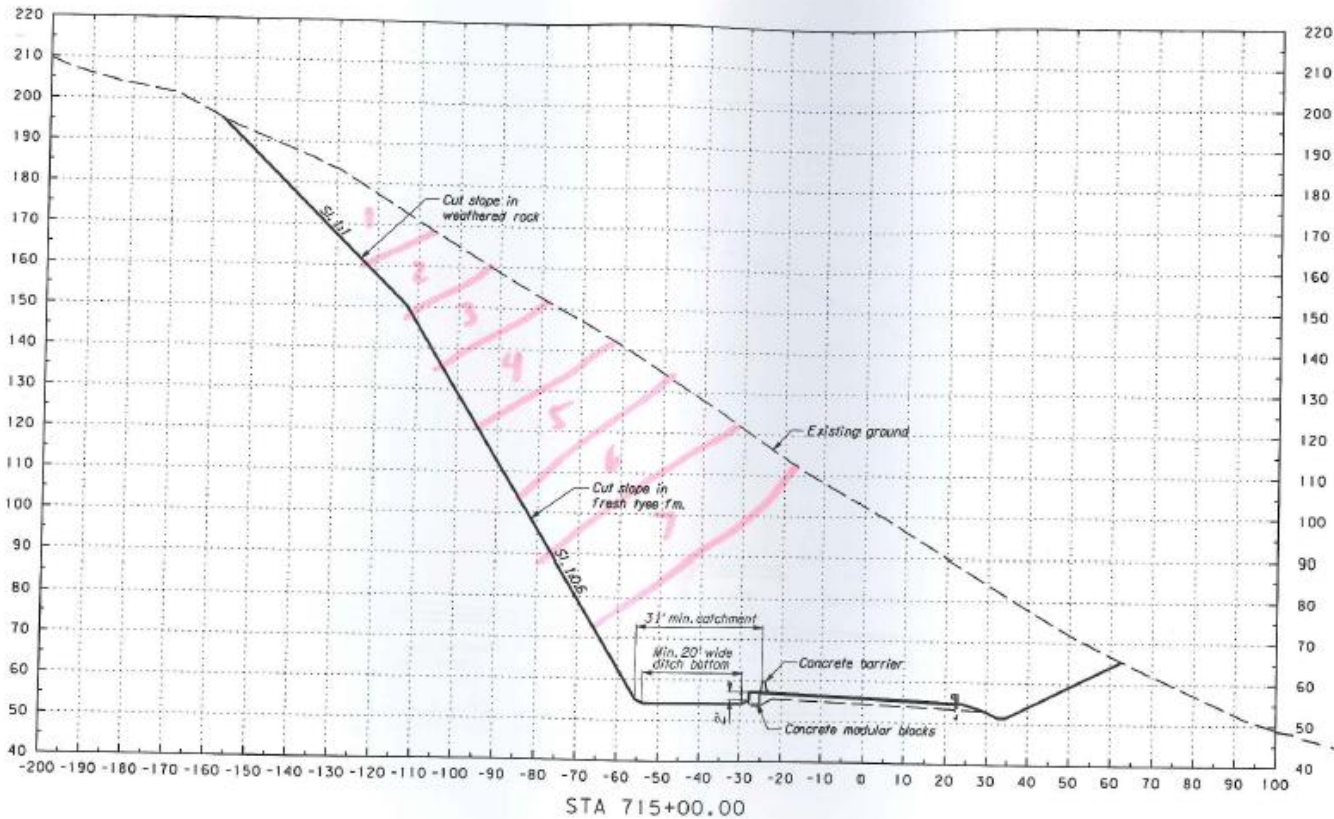


# West End Curve- road relocation





# West End Curve- road relocation



WEC CUT SLOPE DESIGN TYPICAL  
CUT SLOPE GREATER THAN 75FT



## ***US20 Travel***

	<b>Car/truck open passage</b>	<b>Emergency vehicles passage</b>		<b>Some 20 minute closures</b>
<b>June 1-16</b>	<b>22 hrs/day</b> (2 hr day closure)	<b>24 hrs/day</b>		<b>X</b>
<b>June 17 - July 15</b>	<b>22 hrs/day</b> (2 hr day closure)	<b>23 hrs/day</b> (1 hr blast closure, pre- notification)		<b>X</b>
<b>July 16- Oct. 31</b>	<b>14 hrs/day</b> (10 hr night closures)	<b>23 hrs/day</b> (1 hr blast closure, pre- notification)		<b>X</b>



## US20 Closures

	Construction restricted to one hour after sunrise to one hour before sunset	School days	Blasting allowed	Night work allowed	Production hours	Single two hour closure	10 hour night closures beginning two hours before sunset. (Sun- Fri)	20 minute periodic delays
June 1-16	6:30 AM -8 PM	X			13.5	9 AM - 2 PM		X
June 17 - July 15	6:30 AM -8 PM		X		13.5	6:30 AM -8 PM		X
July 16- Aug. 31			X	X	24		6:30 PM- 4:30 AM	X
September 1-5			X	X	24		6:00 PM - 4:00 AM	X
September 6-15		X	X	X	24		6:00 PM - 4:00 AM	X
September 16 - Oct 31		X	X	X	24		6:00 PM - 4:00 AM	X



## ***US20 Closures***

- Again, the closure schedules outlined are worst-case scenarios
- Some aspects are realistic possibilities depending on the needs and abilities of the contractor chosen for the work.
- We will do everything possible to minimize impacts to the traveling public

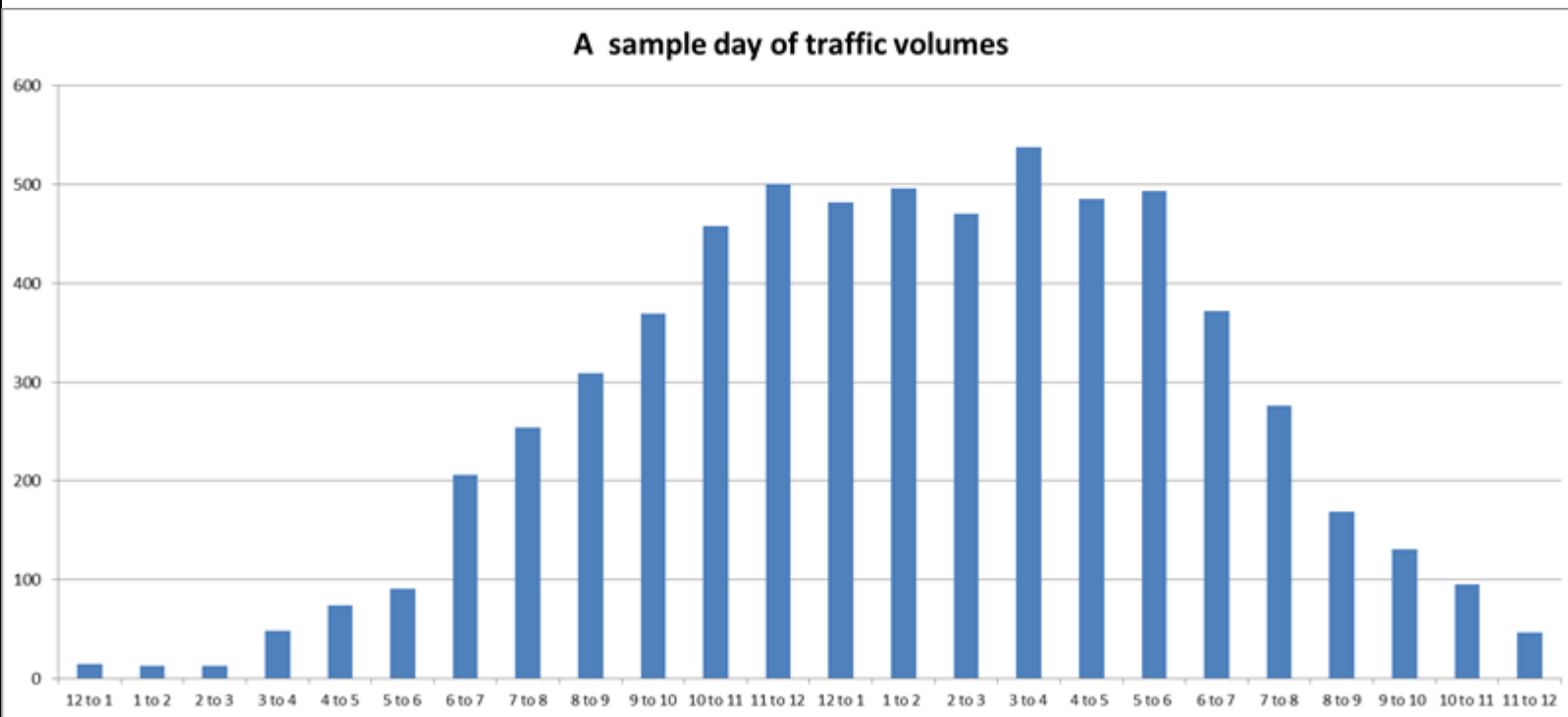


## ***Feedback from the Coast***

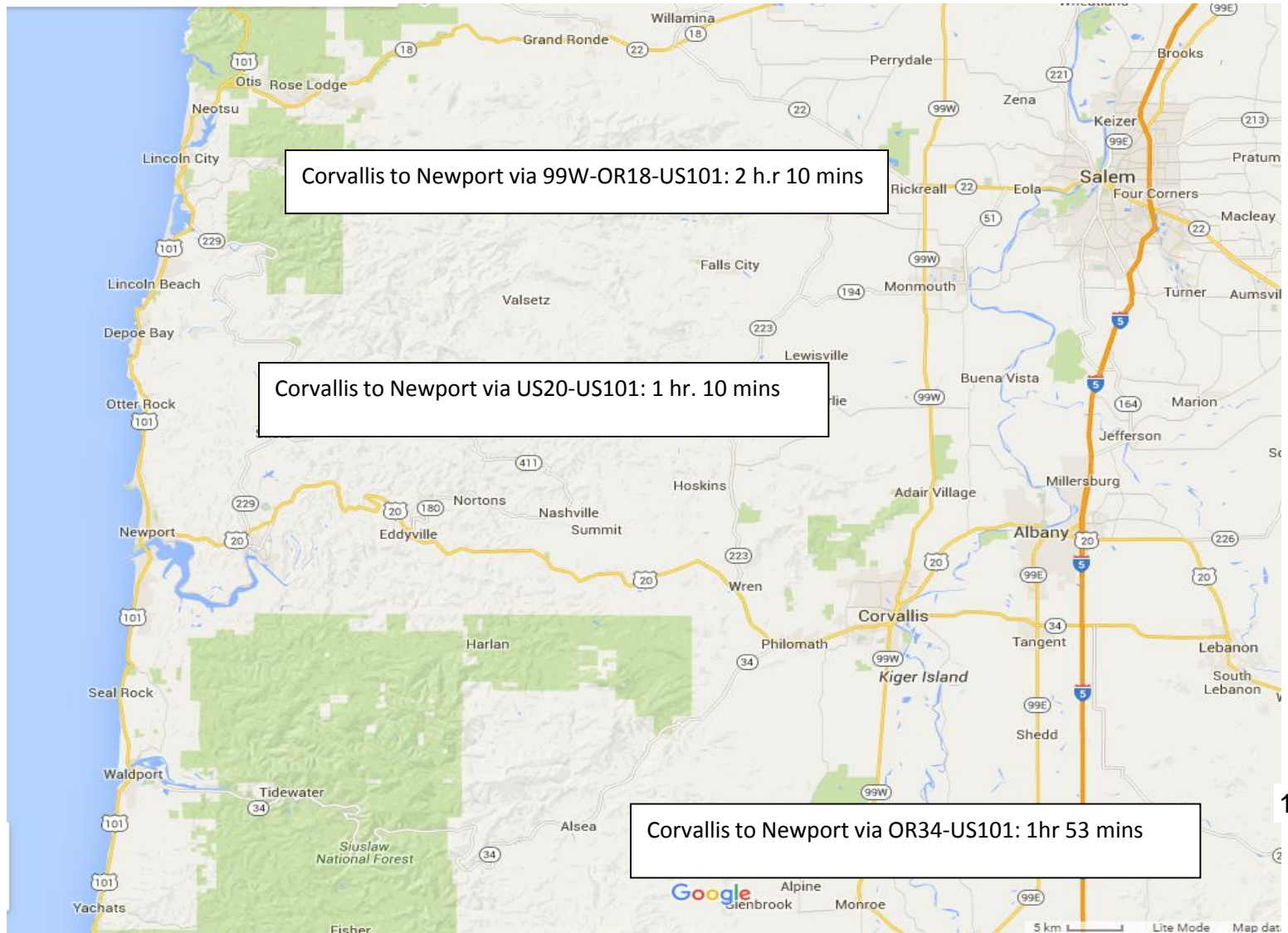
- Make the closure nights Sat-Thurs instead of Sun-Fri
  - No closure on Friday instead of Saturday
  - This change is being made now
- Delay the closures to later at night
  - Not 6 PM
  - Open later in the morning
  - Waiting until contractor is on board



## ***US20 @ WEC: Average Traffic on a summer day***



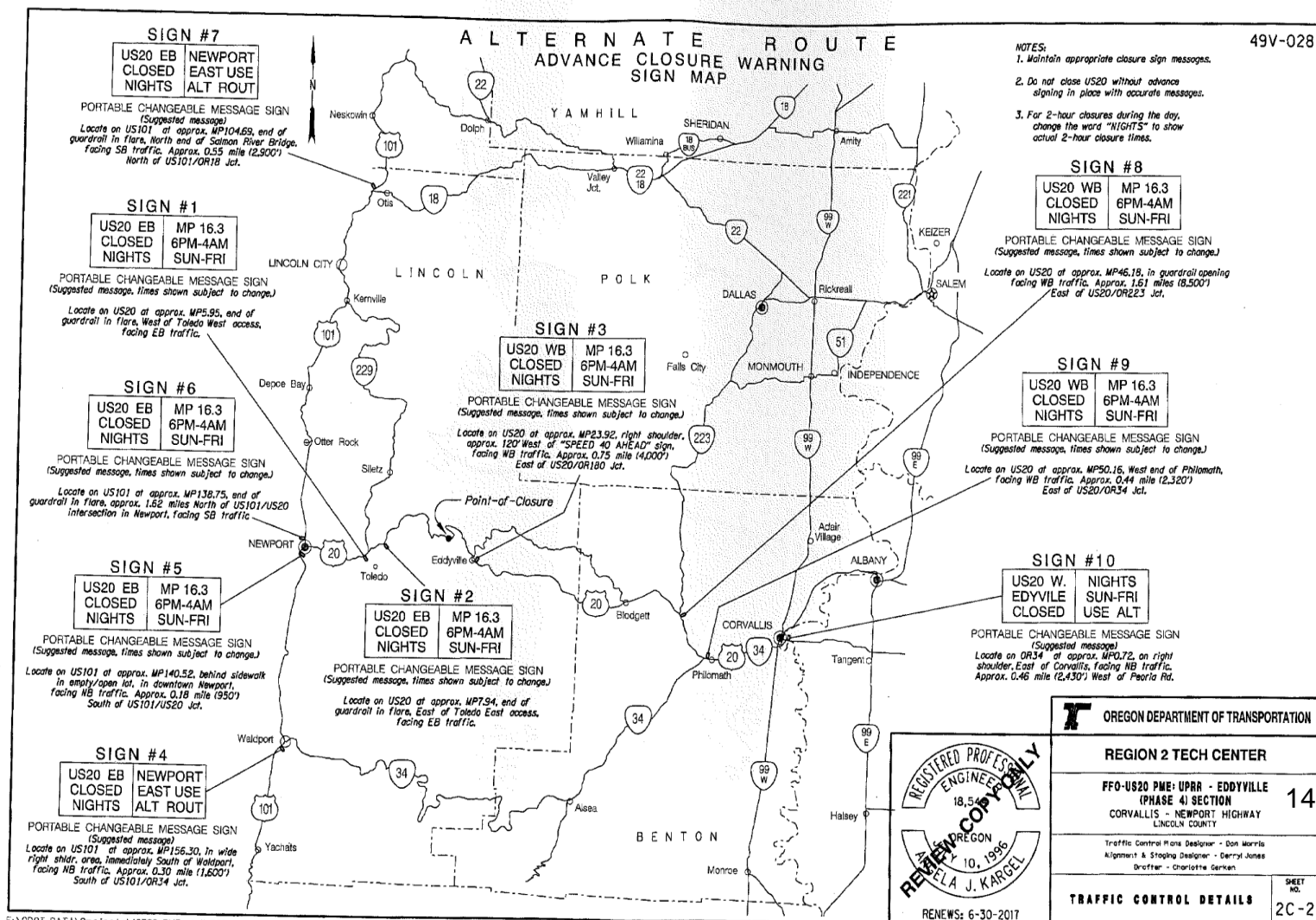








## Detour route signing





***Know before you go !***

**Tripcheck.com**

Sign up for email updates at [www.us20pme.com](http://www.us20pme.com)



## *Questions and Comments*





## *For more information:*

- **Public Information Office: Angela Beers-Seydel**  
(541) 726-2442 [angela.beers-seydel@odot.state.or.us](mailto:angela.beers-seydel@odot.state.or.us)
- **Project Leader (Development): Jerry Wolcott**  
(541) 757-4164 [jerry.o.wolcott@odot.state.or.us](mailto:jerry.o.wolcott@odot.state.or.us)
- **Project Manager (Construction) Steve Schultz**  
(541)757-4158 [steven.schultz@odot.state.or.us](mailto:steven.schultz@odot.state.or.us)
- **Ass't. Project Manager (Construction) Markus Schaaf**  
541-757-4280 [markus.schaaf@odot.state.or.us](mailto:markus.schaaf@odot.state.or.us)

**For Email updates, sign up at the web site:**  
[www.us20pme.com](http://www.us20pme.com)

It is with great enthusiasm that we look forward to the completion of the Pioneer Mountain/Eddyville Highway 20 project later this year. As we move closer to the opening of that segment of highway, we want to offer some suggestions regarding road closures. While we recognize the proposed closure times are worst case scenarios, we are hopeful when working with the selected contractor, once it is selected, compromise solutions will be developed to address our concerns and suggestions there by mitigating and minimizing the adverse impact the closures will have on the citizens and businesses of Lincoln County.

Most importantly, the single day of the week when no closures will occur needs to be Friday night. This open night will have the least negative impact on weekend traffic visiting our county.

Looking at the more specific time periods as identified in your public outreach materials, we would request the following considerations:

**June 1-16** -- 2 hour closures between 9am and 2pm with 24 hours available to emergency vehicles.

**Suggestion:** Have the closures at the same time each day or a planned out in advance so it's not short notice and closure times will be known well in advance.

**June 17-July 15** -- 2 hour closures between 9am and 2pm with 23 hours available to emergency vehicles.

**Suggestion:** Have the closures at the same time each day or a planned out in advance so it's not short notice and closure times will be known well in advance with ample notification to emergency related agencies.

**July 16- October 31** -- 10 hour night closures (6pm-4am) and 23 hours available to emergency vehicles.

**Suggestion:** Have the closing time changed to 9 or 10pm and the morning opening time changed to 5 or 6am.

Finally as noted above, we strongly suggest the fully open day/night be Friday. Many people travel to or out of town on Friday. Another factor is lodging accommodations typically require a 2 night minimum weekend stay.

Thank you again for your consideration of these changes. We look forward to working with you as the final timeframes are determined.



## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #: 7.D.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **From the Oregon Water Resources Department -- Presentation on the Oregon Water Resource Development Place Based Planning Process**

#### **Background:**

Chase Park Grants has been working with City staff to obtain funding to participate in a place based integrated water resources planning pilot study. The city was selected to participate in this program, and will be awarded \$135,000 to begin this process. The intent of this effort is to provide a framework for communities to collaboratively identify their instream and out of stream water resources needs, and then identify solutions and projects that will help them meet those needs and now into the future. The city will convene this process together with Oregon Water Resources Department. It is the hope that this project will foster cooperative working relationships between different water interests, integrate and coordinate related plans and efforts, identify solutions, develop more competitive proposals for local, state and federal funding opportunities. Harmony Burright, Place Based Planning Coordinator with OWRD will make the presentation to the City Council on April 18 to describe this pilot initiative and to answer any questions the City Council may have regarding this effort. No action is required on this initiative at the meeting on April 18.

#### **Recommendation:**

None

#### **Fiscal Effects:**

None

#### **Alternatives:**

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager



**STAFF REPORT  
CITY COUNCIL AGENDA**

**Prepared by:** Timothy Gross, PE, Director of Public Works/City Engineer

**Title:** Presentation on the OWRD Place Based Planning Process

**Recommended Motion:**

None

**Background Information:**\_\_

In the fall of 2016 City staff with the assistance of Chase Park Grants submitted a letter of interest to the Oregon Water Resources Department (OWRD) for funding to participate in a Place-based integrated water resources planning pilot study. The City was selected to participate in this program and was awarded \$130,000 to begin this process. The City together with OWRD will act as co-conveners during the planning process and will coordinate multiple stakeholders to examine water issues on the central coast. OWRD is currently preparing a draft contract for the City's review which will be brought back for Council consideration at a later date. Harmony Burright, Place Based Planning Coordinator with OWRD, will be presenting before the Council at the April 18, 2016 meeting to describe the Place Based Planning pilot initiative and answer any questions.

Place-based planning study provides a framework for communities to collaboratively identify their instream and out-of-stream water resources needs, and then identify solutions and projects that will help them meet those needs now and into the future. It is a voluntary, non-regulatory, locally-initiated and led planning effort that brings together a broad representation of interests to work in partnership with OWRD. The process includes five steps described in the Draft 2015 Place-Based Planning Guidelines.

The planning steps in the Draft Guidelines are:

- Planning Step 1 – Build a collaborative and inclusive process.
- Planning Step 2 – Understand current water resources and identify gaps in understanding.
- Planning Step 3 – Analyze current and future needs for people, the economy, and the environment (instream and out-of-stream needs).
- Planning Step 4 – Identify and prioritize strategic solutions to meet water needs.
- Planning Step 5 – Develop and approve a local integrated water resources plan

Oregon's 2012 Integrated Water Resources Strategy (IWRS) provides a roadmap for Oregon to understand and meet its instream and out-of-stream needs, taking into account water quantity, water quality, and ecosystem needs. IWRS recommended action 9A calls for the Water Resources Department (OWRD) to help communities undertake integrated water resources planning at the local level ("place-based planning"). Place-based planning provides an opportunity for communities to develop plans to meet instream and out-of-stream water needs. These plans may provide information for future updates to the IWRS.

Place-based planning can help individuals in a watershed, basin or groundwater area:

- Foster cooperative working relationships between different water interests;
- Create a shared understanding and vision for water resources in a place;
- Compile and share existing information;
- Identify gaps in understanding and how to fill those gaps;
- Integrate and coordinate related plans and efforts;
- Identify innovative solutions that no one group may have thought of alone;
- Leverage resources from a broad network of partners; and
- Develop more competitive proposals for local, state, and federal funding opportunities.

It is anticipated that the planning process will begin in July and take 2 years, meeting with the stakeholder groups approximately every two months. In order to ensure impartiality, City staff intends to contract with Nyquist and Associates to act as a meeting facilitator and GSI Water Solutions to provide technical expertise regarding water rights, restrictions, and availability.

#### **Fiscal Notes:**

Details regarding financing will be discussed at a following Council Meeting when a draft contract with OWRD is considered.

#### **Alternatives:**

N/A

#### **Attachments:**

- Place Based Integrated Water Resource Planning Handout





## Helping Oregon communities plan for their current and future water needs.

Water is important to all Oregonians. It is vital to community well-being, economic development and a healthy environment. Across Oregon, every place has its unique water challenges that, if left unaddressed, may increase in the future. The 2012 Integrated Water Resources Strategy (IWRS) recommends that the Oregon Water Resources Department (OWRD) help communities collaboratively develop solutions to address water challenges within a watershed, basin or groundwater area. Place-based planning provides an opportunity for people with an interest in water to better understand local water resources and to coordinate efforts so that they are working towards a shared vision of their water future.

- Builds on and integrates existing studies and plans
- Adheres to IWRS principles and state laws
- Does not infringe on existing water rights

- Locally-initiated and led collaborative process
- Voluntary, non-regulatory approach
- Includes a balanced representation of water interests
- Conducted in partnership with the state
- Addresses instream and out-of-stream needs
- Looks at water quantity, quality and ecosystem needs
- Open and transparent process that fosters public participation

### What is place-based planning?

Place-based planning provides a framework communities to understand and meet their water needs now and into the future. Communities will accomplish this by:

1. Building a collaborative and inclusive process
2. Gathering information to understand current water resources and identify gaps in knowledge
3. Examining current and future water needs of people, the economy, and the environment;
4. Developing and prioritizing strategic integrated solutions to meet water needs;
5. Creating a local integrated water resources plan

### Place-based planning pilot areas

In 2015, the Legislature provided (OWRD) with resources to pilot place-based planning, including funding to assist communities with planning through grants. After soliciting and evaluating 16 letters of interest from around the state, grants were awarded to organizations in four areas: the John Day Partnership in the Lower John Day Sub-Basin, Union County in the Upper Grande Ronde Sub-Basin, the Harney County Watershed Council in the Malheur Lake Basin, and the City of Newport in the Mid-Coast Basin.

During the pilot phase, each of these places will partner with the Department to test a set of draft planning guidelines, identify best practices, and improve the process. The first step for the pilots is to bring together interested partners in a collaborative, locally-led process that is open to the public.

## **Why place-based planning?**

Place-based planning will help foster cooperative relationships between individuals and groups that value water differently. Through a collaborative process they will build upon existing knowledge, coordinate efforts, identify and fill information gaps, and explore innovative solutions to meet multiple needs. Place-based planning can help communities develop a shared understanding and vision, prioritize actions, and gather the support and resources they need to implement those actions.

- Visit the web page:  
<http://bit.ly/owrdplanning>
- Contact Planning Coordinators Harmony Burright (503-986-0913) or Steven Parrett (503-986-0914)
- Send an e-mail inquiry to:  
[placebasedplanning@wrd.state.or.us](mailto:placebasedplanning@wrd.state.or.us)

The Upper Grande Ronde Sub-Basin is a vital ecosystem that supports ranchers, farmers, and urban residents as well as an array of fish and wildlife species. Water supply shortages for instream and out-of-stream uses currently exist in this sub-basin and may be intensified by climate change and increases in future demand.

Through this place-based planning effort Union County will bring together a broad group of partners to understand where water needs are not being met and develop a focused plan that will help meet current and future needs. While there is a significant body of knowledge on water quality, quantity, and ecological demands in the watershed, this presents an opportunity to integrate that information. This effort will build on current collaborative work to identify

The Lower John Day Sub-Basin supports a robust agriculture-based economy and important wild anadromous fish habitat, both of which depend upon reliable water resources. The lower river and its tributaries rely heavily on the watersheds ability to capture, store, and slowly release 8-20 inches of precipitation in a given year. Several years of drought and the potential impacts of climate change further threaten limited supplies.

Through this place-based planning effort the John Day Partnership and other basin interests will identify solutions to efficiently develop, conserve, store, and utilize water in the region to meet instream and out-of-stream needs. The Partnership is also completing a basin-wide Strategic Action Plan funded by the Oregon Watershed Enhancement Board, offering the



the opportunity to explore integration of these complementary planning processes.

and prioritize innovative solutions to address current and future water challenges.

years have contributed to declining groundwater levels in several areas of the basin and possible designation of a “groundwater area of concern.” The citizens of Harney County have a history of successful collaborative planning efforts to address complex natural resources issues. Place-based planning presents an opportunity to develop a long-term water plan using a collaborative approach.

Through this place-based planning effort the Harney County Watershed Council will bring together a broad group of partners to share their collective wisdom and develop innovative, community supported solutions that balance water supply and demand in a more integrated manner.

watersheds support out-of-stream needs for municipal drinking water, agriculture and industrial use, and instream needs for various aquatic species, water-based tourism and commercial, recreational, and tribal fisheries.

Through this place-based planning effort the City of Newport will catalyze regional water planning among small water providers. The City of Newport will create collaborative opportunities to address near term water challenges, looking at quantity, quality and ecosystem needs while also identifying ways to make water systems more resilient. This effort may serve as a model for communities facing similar water challenges up and down the Oregon coast.

The Mid-Coast Basin is characterized by smaller watersheds that are distributed along the coast line. These coastal

The Malheur Lake Basin is a large basin that supports hay and cattle industries as well as a dynamic high desert ecosystem. Recent drought years have

For additional information about other water resource development opportunities sign up for our mailing list:  
[http://listsmart.osl.state.or.us/mailman/listinfo/water\\_development](http://listsmart.osl.state.or.us/mailman/listinfo/water_development)

## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #8.A.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **Discussion on Next Steps Regarding Affordable/Work Force Housing in the City of Newport**

#### **Background:**

On Monday, March 7, the City Council had a discussion on various types of initiatives that could be pursued to facilitate work force housing within the City of Newport. At that time, the Council was hesitant to act on any specific actions relating to the next steps regarding work force housing. On Tuesday, April 5, I participated in a two-hour presentation on work force housing issues that was coordinated by the Lincoln County Economic Development group along with Mayor Roumagoux, Councilors Busby and Engler, and Community Development Director, Derrick Tokos where we heard from a number of organizations that were involved in various housing issues on a regional basis. It was pretty clear that the focus of those in attendance at this meeting, was on work force housing more than other forms of affordable housing.

Last month, Councilor Allen and I had a discussion with a Councilor Dick Anderson of Lincoln City regarding the possibility of bringing together the elected officials from the various Lincoln County cities along with the county commission members and key staff to discuss approaches to affordable housing/work force housing on a county wide scale. Both Councilor Allen and Councilor Anderson thought this could be a useful discussion to share perspectives from the local government's standpoint on how we may be able to work together on certain issues.

It appears that local governments throughout Lincoln County are trying to sort through this issue. It does seem to make sense to invite the various city and county officials to discuss any common approaches that we might be able to take collectively, in order to move forward with some aspects of affordable housing policies, that could be consistent in certain cases across the entire county. I think it is appropriate to discuss this option and if there is a consensus to go forward with this type of a meeting, then I would be happy to work with my colleagues to schedule and develop an agenda for this meeting.

#### **Recommendation:**

No formal action would be taken. If there is a consensus, we will go forward with it, but if there is not a consensus we won't go forward with the meeting.

#### **Fiscal Effects:**

None



**Alternatives:**

Discuss other alternative actions that can be taken to proceed forward, or as suggested by the City Council.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. Nebel", is positioned above the printed name.

Spencer R. Nebel, City Manager

## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #8.B.  
Meeting Date: 4-18-16

### **Agenda Item:**

## **Report on Imposing a Local 3% Tax on Marijuana within the City of Newport**

### **Background:**

Under House Bill 3400, local units of government may adopt an ordinance which must be referred to the voters imposing a tax or fee up to 3% on the sale of marijuana items by a retail licensee within that city. This ordinance must be referred to voters in a Statewide general election, which means an election in November of an even numbered year.

If the City Council wishes to have this question placed on the ballot, an ordinance and resolution calling for an election on this issue would need to be approved by the Council in June. City Recorder, Peggy Hawker, and City Attorney, Steve Rich, have developed drafts of an ordinance and a resolution that could be used for this purpose. It may also be appropriate for the Council to schedule a public hearing on this matter to obtain any local feedback prior to considering approval of either an ordinance or resolution.

It is also my understanding that during the recent legislative session, State law authorized the Department of Revenue to collect the local tax. This would be accomplished in a similar fashion of how the local gas taxes are collected and remitted by the State to local units of government. This would certainly facilitate this process.

It would also be appropriate for the City Council to consider whether this tax would be imposed only on recreational marijuana. Please note there is currently no apparent prohibition for the City levying a local tax on medical marijuana. During previous discussions, the focus of local taxation appeared to be strictly on the recreational marijuana products.

There have been some suggestions from City staff regarding earmarking this funding for a specific purpose (parks, law enforcement or other efforts in the community). It was thought this may make the ballot issue more attractive knowing that the revenues are being earmarked for specific purpose. This could be done by ordinance if the Council chooses to do that.

### **Recommendation:**

I recommend that the City Council consider the following motion:

I move that a public hearing be scheduled to obtain comment on imposing a 3% tax on the sale of marijuana items by a marijuana retailer in the City of Newport for the May 2, 2016, Council meeting.

**Fiscal Effects:**

None by scheduling the public hearing.

**Alternatives:**

Do not schedule a public hearing, opt out of imposing a tax at this time, or as suggested by the City Council.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is written over a light blue rectangular background.

Spencer R. Nebel, City Manager

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**CITY OF NEWPORT**

**ORDINANCE NO. 2097**

**AN ORDINANCE OF THE CITY OF NEWPORT  
IMPOSING A THREE PERCENT TAX  
ON THE SALE OF MARIJUANA ITEMS BY A  
MARIJUANA RETAILER AND REFERRING ORDINANCE NO. 2097  
TO THE VOTERS AT THE GENERAL ELECTION  
TO BE HELD ON NOVEMBER 8, 2016**

**WHEREAS**, section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

**WHEREAS**, the Newport City Council wants to impose a tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

**THE CITY OF NEWPORT ORDAINS AS FOLLOWS:**

**Section 1.** Chapter 3.15 of the Newport Municipal Code is enacted as follows:

**3.15 IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS  
BY A MARIJUANA RETAILER**

**A. DEFINITIONS**

1. Marijuana item has the meaning given that term in Oregon Laws 2015, chapter 614, section 1.
2. Marijuana retailer means a person who sells marijuana items to a consumer in this state.
3. Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

**B. TAX IMPOSED**

As described in section 34a of House Bill 3400 (2015), the City of Newport hereby imposes a tax of three percent on the retail sale price of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city.

**C. COLLECTION**

The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs and remitted by each marijuana retailer that engages in the retail sale of marijuana items.

**D. REFERRAL**

This ordinance shall be referred to the electors of the City of Newport at the next statewide general election on Tuesday, November 8, 2016.

**Section 2. Effective Date.** This ordinance shall be effective immediately upon certification of the election results if approved by the electors of the City of Newport at the election of November 8, 2016.

Adopted by the Newport City Council on June 6, 2016.

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Sandra N. Roumagoux, Mayor

ATTEST:

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Margaret M. Hawker, City Recorder

APPROVED AS TO FORM:

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Steven Rich, City Attorney





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**CITY OF NEWPORT**

**RESOLUTION NO. 3745**

**A RESOLUTION CALLING FOR AN ELECTION  
TO REFER TO THE VOTERS OF THE CITY OF NEWPORT, OREGON,  
A MEASURE THAT WOULD IMPOSE A THREE PERCENT TAX  
ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER**

**Finding**

On June 6, 2016, the City Council adopted Ordinance No. 2097 imposing a three percent tax on the sale of marijuana items by marijuana retailers in the City of Newport, and referring Ordinance No. 2097 to the electors of the City of Newport at the election of November 8, 2016.

Based upon this finding:

**THE CITY OF NEWPORT RESOLVES AS FOLLOWS:**

**Section 1.** An election is called in and for the City of Newport for the purpose of submitting to the legal voters of the city the ballot title, Attachment A, with the following question:

Shall the City of Newport impose a three percent tax on the sale of marijuana items by a marijuana retailer?

**Section 2.** The explanatory statement for this ballot measure is included as Attachment B.

**Section 3.** Tuesday, November 8, 2016, is designated as the date for holding the election on the question stated in Section 1 above.

**Section 4.** The election will be conducted by the Lincoln County Clerk's Office.

**Section 5.** The precincts for the election shall include all territory within the corporate limits of the City of Newport and no other territory.

**Section 6.** If the ballot measure is approved by the voters of the City of Newport, the Newport Municipal Code shall be amended as provided in Attachment C.

Adopted by the Newport City Council on June 20, 2016.

CITY OF NEWPORT

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Sandra N. Roumagoux, Mayor

ATTEST:

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Margaret M. Hawker, City Recorder

APPROVED AS TO FORM:

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Steven E. Rich, City Attorney

**ATTACHMENT A  
TO  
CITY OF NEWPORT RESOLUTION NO. 3745**

**BALLOT TITLE**

**CAPTION**

Imposition of a tax on retail marijuana items

**QUESTION**

Shall the City of Newport impose a three percent tax on the sale of marijuana items by a marijuana retailer?

**SUMMARY**

Under state law, a city council may adopt an ordinance to be referred to the voters of the city imposing up to a three percent tax or fee on the sale of marijuana items in the city by a licensed marijuana retailer. The Newport City Council adopted Ordinance No. 2097, on June 6, 2016, which imposes a three percent tax on the sale of marijuana items by a marijuana retailer and referring the ordinance to the voters at the General Election to be held on November 8, 2016.

Approval of this measure would impose a three percent tax on the sale of marijuana items in the city by a licensed marijuana retailer. The tax would be collected at the point of sale and remitted by the marijuana retailer.

**ATTACHMENT B  
TO  
CITY OF NEWPORT RESOLUTION NO. 3745**

**EXPLANATORY STATEMENT**

Under Measure 91, adopted by Oregon voters in November 2014 and amended by the Legislature in 2015, the Oregon Liquor Control Commission must license the retail sale of recreational marijuana. The 2015 Legislation provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items (which include marijuana concentrates, extracts, edibles, and other products intended for human consumption and use) by retail licensees in the city, but the council must refer that ordinance to the voters at a statewide general election. The City of Newport City Council has adopted Ordinance No. 2097 imposing a three percent tax on the sale of marijuana items by a retail licensee in the city, and, as a result, has referred this measure to the voters.

Approval of this measure would impose a three percent tax on the sale of marijuana items by a marijuana retailer within the city. There are no restrictions on how the city may use the revenues generated by this tax. However, this tax will only be imposed if this measure passes at the November 8, 2016 General Election.

**ATTACHMENT C  
TO  
CITY OF NEWPORT RESOLUTION NO. 3745**

If the ballot measure is approved by the voters of the City of Newport, the Newport Municipal Code shall be amended as follows:

**3.15 IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS  
BY A MARIJUANA RETAILER**

**A. DEFINITIONS**

1. Marijuana item has the meaning given that term in Oregon Laws 2015, chapter 614, section 1.
2. Marijuana retailer means a person who sells marijuana items to a consumer in this state.
3. Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

**B. TAX IMPOSED**

As described in section 34a of House Bill 3400 (2015), the City of Newport hereby imposes a tax of three percent on the retail sale price of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city.

**C. COLLECTION**

The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs and remitted by each marijuana retailer that engages in the retail sale of marijuana items.

**From:** Spencer Nebel  
**Sent:** Tuesday, April 12, 2016 9:21 PM  
**To:** Cindy Breves  
**Subject:** FW: Allocation for Tax revenue

Attachment for medical marijuana.

**Spencer R. Nebel**

City Manager  
City of Newport, Oregon 97365  
541-574-0601  
[s.nebel@newportoregon.gov](mailto:s.nebel@newportoregon.gov)

**From:** Jim Protiva  
**Sent:** Friday, April 08, 2016 2:50 PM  
**To:** Spencer Nebel <[S.Nebel@NewportOregon.gov](mailto:S.Nebel@NewportOregon.gov)>  
**Cc:** Tim Gross <[T.Gross@NewportOregon.gov](mailto:T.Gross@NewportOregon.gov)>; Michael Murzynsky  
<[M.Murzynsky@NewportOregon.gov](mailto:M.Murzynsky@NewportOregon.gov)>  
**Subject:** Allocation for Tax revenue

Appropriate allocation for Marijuana tax revenue:

I would like to request dedicating the revenue the City of Newport receives from marijuana tax towards park improvements to include replacement of rusty and broken playground equipment. It is a very serious concern that would benefit from a dedicated funding source such as this. I personally believe that it would do a great service and create good will in the community.



## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:8.C.  
Meeting Date: 4-18-16

### **Agenda Item:**

#### **Approval of a Flag for the City of Newport**

##### **Background:**

During our discussions preparing for the 50<sup>th</sup> Anniversary Celebration of our Sister City relationship with Mombetsu, a discussion of city flags came up on a number of different occasions. It is quite common for cities to have an official city flag that would be on display in the City Council Chambers. Newport has a very distinctive logo that is recognizable throughout the State of Oregon. Councilor Laura Swanson spent some time reviewing this matter and has a very clean and basic design for a possible, official city flag for the City of Newport. I certainly believe it is appropriate for the City Council to formally authorize the creation of a city flag for the City of Newport.

##### **Recommendation:**

I recommend the City Council consider the following motion:

**I move approval of the creation of an official city flag for the City of Newport.**

##### **Fiscal Effects:**

Councilor Swanson, working with our IT Department, has developed a digital copy of the flag. There are sufficient funds to cover the cost of producing several city flags for display.

##### **Alternatives:**

Do not adopt an official flag for the City of Newport, or as suggested by the City Council.

Respectfully Submitted,

Spencer R. Nebel, City Manager



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## **CITY MANAGER'S REPORT AND RECOMMENDATION**



Agenda #:8.D.  
Meeting Date: 4-18-16

### **Agenda Item:**

### **Consideration and Possible Adoption of Resolution No. 3747, Relating to Minor Amendment 12 to the South Beach Urban Renewal Plan and Report**

#### **Background:**

As provided in ORS 457.085, South Beach Urban Renewal Plan and Report must specifically identify projects and provide a financial analysis with sufficient information to determine the plan's feasibility before Urban Renewal funds can be expended. The plan provides that minor amendments must be approved by the agency and Common Council of the City of Newport by resolution. Minor amendments are shifts of existing Urban Renewal construction funds between various projects as identified in the plan. The minor amendment reallocates \$405 in excess funds from the soon to be completed SW Abalone/SW Brandt Street Projects, with \$25,000 of those funds going to the retrofit of Safe Haven Hill, and \$380,000 to the 35<sup>th</sup> and US 101/Ferry Slip Road Project. This will allow us to match the additional FEMA funds that were provided to meet the ODOT requirements for a wider sidewalk and retaining wall along US 101.

Finally, we want to make sure we have adequate resources to provide match for the ODOT signalization and intersection construction at 35<sup>th</sup> and Hwy. 101, which is now scheduled to occur in 2018. By pushing these previously allocated funds forward for this project, we will be better assured to have sufficient match funds to accomplish this project when it occurs in the next couple of years.

#### **Recommendation:**

I recommend that the City Council consider the following motion:

**I move that the City Council adopt Resolution No. 3747, a resolution adopting a minor amendment 12 to the South Beach Urban Renewal Plan and Report**

#### **Fiscal Effects:**

As outlined in the report.

#### **Alternatives:**

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager



**STAFF REPORT  
URBAN RENEWAL AGENDA ITEM**

**Title:** Minor Amendment Twelve to the South Beach Urban Renewal Plan (Res #3747)

**Prepared by:** Derrick I. Tokos, AICP, Community Development Director

**Recommended Motion:** I move that the Urban Renewal Agency adopt Resolution 3747, a resolution adopting Minor Amendment Twelve to the South Beach Urban Renewal Plan.

(Note: The resolution must also be adopted at a regular meeting of the Newport City Council)

**Background Information:** City of Newport adopted a South Beach Urban Renewal Plan and Report ("Plan"), dated September 12, 1983, by Ordinance No. 1341, and Lincoln County did subsequently approve the Plan by Resolution 83-26-9. Eleven amendments to the Plan have been previously adopted with the most recent being dated November 17, 2014.

This minor amendment reallocates \$405,000 in excess funds from the soon to be completed SW Abalone, SW Brant, SW 30th and SW 27th street projects, with \$25,000 going to the retrofit of the Safe Haven Hill tsunami assembly area and \$380,000 to the 35th and US 101 - Ferry Slip Road project.

The budget for the Safe Haven Hill retrofit increased to almost \$885,000 as a result of design changes to sidewalk and retaining wall improvements within the US 101 highway right-of-way. The plan revisions were required by the Oregon Department of Transportation (ODOT) late in the design process. Most of the funding for this project has come from a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant, and an additional \$191,910 has been secured from FEMA to help cover the additional expenses. Agency allocated \$200,000 for this project in Phase 1 and the additional \$25,000 of funds are needed to ensure that the twenty-five (25) percent local government cash match requirement associated with this FEMA grant is met so that all of the additional FEMA funds can be leveraged.

With the City shifting \$187,643 of funds out of its Street System Development Charge contingency to the SW Abalone Street project, Agency is able to repurpose an equivalent amount of urban renewal funds from the SW Abalone Street project to the 35th and US 101 - Ferry Slip Road project. When taken into consideration with other excess funds from the now substantially complete SW Abalone, SW Brant, SW 30th and

SW 27th street projects, Agency can increase its total contribution to the 35th and US 101 - Ferry Slip Road project by \$380,000.

Increased funding for the 35th and US 101 - Ferry Slip Road project is needed to ensure there are sufficient financial resources available to complete the work. The City of Newport, on behalf of the Agency, is close to completing planned improvements to Ferry Slip Road. This is only a portion of the project. The balance of the work will be completed by the Oregon Department of Transportation (ODOT), and includes the construction of 35th Street between Abalone and Ferry Slip Road, relocation of the traffic signal from 32nd to 35th street, sidewalk along US 101 from the bridge to 35th Street, and the closure of the Ferry Slip Road/US 101 intersection. ODOT is in the early stages of designing the improvements and there are a number of unknowns that could impact the budget. Allocating an additional \$380,000 provides reserves that can be drawn upon in the event there are unanticipated costs that come to light as the project moves forward.

As provided in ORS 457.085, the South Beach Urban Renewal Plan and Report must specifically identify projects and provide a financial analysis with sufficient information to determine the Plan's feasibility before urban renewal funds can be expended. The proposed amendments are responsive to these requirements, and do not alter the major assumptions, purposes and objectives underlying the Plan. They; therefore, are properly characterized and adopted as minor plan amendments under Agency Resolution No. 91-4, the third amendment to the Plan, Plan Section VIII.

The third amendment to the Plan states that minor amendments must be approved by the Agency and the Common Council of the City of Newport by resolution. Accordingly, a copy of this resolution has been placed for consideration by the City Council at its regular meeting scheduled for this same evening.

**Fiscal Notes:** This minor amendment shifts existing urban renewal construction funds between previously budgeted projects to ensure sufficient resources are available to complete the work. The overall Phase 2 construction budget is not impacted.

**Alternatives:** Not reallocating the funds. This would mean that the Agency would not be able to leverage all of the additional federal funds for the Safe Haven Hill retrofit and would have to bear the full cost of any shortfall. It would also mean that the Agency would have little in the way of resources to draw upon in the event that construction costs exceed initial estimates for the 35th and US 101 - Ferry Slip Road project.

**Attachments:**

Resolution No. 3747

Minor Amendment Twelve to the South Beach Urban Renewal Plan & Report (Exhibit A)

## **RESOLUTION NO. 3747**

### **A RESOLUTION APPROVING A TWELFTH AMENDMENT TO THE SOUTH BEACH URBAN RENEWAL PLAN AND REPORT**

#### **FINDINGS:**

1. City of Newport adopted a South Beach Urban Renewal Plan and Report (“Plan”), dated September 12, 1983, by Ordinance No. 1341, and Lincoln County did subsequently approve the Plan by Resolution 83-26-9. Eleven amendments to the Plan have been previously adopted with the most recent being dated November 17, 2014.
2. On February 1, 2016 the Newport Urban Renewal Agency held a work session at which it received an update on the status of urban renewal funded projects in South Beach. This included the extension of SW Abalone and 30<sup>th</sup> streets, improvements to SW Brant and SW 27<sup>th</sup> streets, the retrofit of the Safe Haven Hill tsunami assembly area, and the 35<sup>th</sup> and US 101 – Ferry Slip Road project. Agency was advised that the projects were within anticipated budgets, with the exception of the tsunami assembly area.
3. The budget for the Safe Haven Hill retrofit has increased to almost \$885,000 as a result of design changes to sidewalk and retaining wall improvements within the US 101 highway right-of-way. The plan revisions were required by the Oregon Department of Transportation (ODOT) late in the design process. Most of the funding for the Safe Haven Hill retrofit project has come from a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant, and an additional \$191,910 has been secured from FEMA to help cover the additional project costs.
4. Agency allocated \$200,000 for the Safe Haven Hill retrofit in Phase 1 of the Plan and an additional \$25,000 is needed to ensure that the twenty-five (25) percent local government cash match requirement associated with this grant is met so that all of the additional FEMA funds can be leveraged. For this reason, this minor amendment shifts \$25,000 of unused funds from the SW Abalone and Brant Street projects to the Safe Haven Hill retrofit project.
5. With the City shifting \$187,643 of funds out of its Street System Development Charge contingency to the SW Abalone Street project, Agency is able to repurpose an equivalent amount of urban renewal funds from the SW Abalone Street project to the 35<sup>th</sup> and US 101 – Ferry Slip Road project. When taken into consideration with other excess funds from the now substantially complete SW Abalone, SW Brant, SW 30<sup>th</sup> and SW 27<sup>th</sup> street projects, Agency can increase total funding for the 35<sup>th</sup> and US 101 – Ferry Slip Road project by \$380,000 with this minor amendment.
6. Agency desires to increase funding for the 35<sup>th</sup> and US 101 – Ferry Slip Road project by this amount to ensure there are sufficient financial resources available to complete the work. The City of Newport, on behalf of the Agency, is close to completing planned improvements to Ferry Slip Road. This is only a portion of the project. The balance of the work will be completed by the Oregon Department of Transportation (ODOT), and includes the construction of 35<sup>th</sup> Street between Abalone and Ferry Slip Road, relocation of the traffic signal



from 32<sup>nd</sup> to 35<sup>th</sup> street, sidewalk along US 101 from the bridge to 35<sup>th</sup> Street, and the closure of the Ferry Slip Road and US 101 intersection. ODOT is in the early stages of designing the improvements and there are a number of unknowns that could impact the budget. Allocating an additional \$380,000 provides reserves that can be drawn upon in the event there are unanticipated costs that come to light as the project moves forward.

7. Consistent with ORS 457.085, the Plan and Report must specifically identify projects and provide a financial analysis with sufficient information to determine the Plan's feasibility before urban renewal funds can be expended. The proposed amendments are responsive to these requirements and do not alter the major assumptions, purposes, and objectives underlying the Plan. They; therefore, are properly characterized and adopted as minor plan amendments under Agency Resolution No. 91-4, the 3<sup>rd</sup> amendment to the Plan, Plan Section VIII.
8. Changes to the Plan are outlined in detail in this Minor Amendment Twelve to the South Beach Urban Renewal Plan and Report, and are consistent with the requirements for minor amendments set forth in Chapter 457 of the Oregon Revised Statutes and the third amendment to the South Beach Urban Renewal Plan and Report, dated September 11, 1991, by Ordinance 91-4, which contains the provisions for amending the Plan. While minor amendments, as opposed to substantial amendments, are not required to be recorded, a copy of this minor amendment should nonetheless be filed with the Lincoln County Clerk to maintain a clear record of the amendments to the Plan. Copies of this minor amendment should also be provided to taxing entities within the district.
9. The Newport City Council and Urban Renewal Agency considered Minor Amendment Twelve to the South Beach Urban Renewal Plan and Report at a public meeting on April 18, 2016 and voted to approve the twelfth amendment.

#### THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Minor Amendment Twelve to the South Beach Urban Renewal Plan and Report is hereby adopted as attached in Exhibit A.

Section 2. The Executive Director of the Newport Urban Renewal Agency is hereby directed to record Minor Amendment Twelve to the South Beach Urban Renewal Plan and Report with the Lincoln County Clerk and shall distribute a copy of the adopted document to the governing bodies of the taxing entities within the district.

Section 3. This resolution shall be effective immediately upon passage.

Adopted by the Newport City Council and the Newport City Council acting as the Newport Urban Renewal Agency on \_\_\_\_\_, 2016.

Signed on \_\_\_\_\_, 2016.

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Sandra Roumagoux  
Mayor

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David Allen  
Chair, Newport Urban Renewal Agency

ATTEST:

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City Recorder

CITY OF NEWPORT  
MINOR AMENDMENT TWELVE TO THE SOUTH BEACH URBAN  
RENEWAL PLAN AND REPORT

Exhibit A, City of Newport Resolution No. 3747

April, 2015

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An Update to the Sixth Amendment  
to the South Beach Urban Renewal Plan and Report

Prepared by:  
the City of Newport  
Community Development Department

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## I. URBAN RENEWAL PLAN AMENDMENTS

The South Beach Urban Renewal Plan was adopted in 1983. Since its adoption, the Urban Renewal Agency has executed seven minor (Amendments 3, 6, 7, 8, 9, 10 and 11) and four substantial amendments (1, 2, 4 and 5). The purpose and date of adoption for each amendment is noted below.

<b>Amendment I</b>	Newport Urban Renewal Agency Lincoln County Commission	April 8, 1987 Feb 25, 1987
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Provides a project outline for:

- Site acquisition of the public viewing aquarium,
- Land acquisition for Highway 101 access roads.
- Site acquisition and construction of the Wastewater Treatment Plant
- Airport frontage road improvements, and
- Site acquisition and construction of an Exhibition Building.

<b>Amendment II</b>	Newport Urban Renewal Agency Lincoln County Commission	October 14, 1987 September 16, 1987
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Deletes two land areas from the District:

- South Beach State Park/South Jetty area (411.16 acres)
- Newport Airport and a portion of forested land north of the airport. (565.14 acres)
- Total area removed from the Urban Renewal District: 976.30 acres

<b>Amendment III</b>	(Minor) Newport Urban Renewal Agency September 11, 1991
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Proposes to finance the Plan through tax increment financing and that no bonded indebtedness shall be issued after December 31 2010. Defines Substantial Amendment as equivalent to a Major Amendment and defines Minor Amendments.

<b>Amendment IV</b>	Newport Urban Renewal Agency Lincoln County Commission	May 13, 1998 April 29, 1998
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Established a maximum level of indebtedness in the amount of \$38,750,000 and selected Option "One" for the method to collect ad valorem property taxes

<b>Amendment V</b>	Newport Urban Renewal Agency Lincoln County Commission	February 2, 2009 January 14, 2009
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The purpose of Substantial Amendment V was to reduce or eliminate the blighted conditions in the district and extend the effective period of the plan from 2010 to 2020. The blighted conditions in the district include:

- Sub-Standard street improvements, rights of way and traffic signalization and management.
- Incomplete pedestrian/bicycle circulation systems and Tsunami evacuation routes.
- Inadequate water storage capacity and distribution lines.
- Under sized or absent sanitary sewer collection service lines.
- Incomplete winter storm water management systems

- Inadequate neighborhood recreation facilities and open space.

New projects were identified based on more recent planning and engineering plans. A new revenue forecast, revenue bond strategy and phased implementation program was prepared.

**Amendment VI** (Minor) Newport Urban Renewal Agency May 3, 2010

Revised the phasing and financing of the projects in Substantial Amendment 5 to improve ingress and egress to the new NOAA Pacific Marine Operations Center and adjacent existing attractions. The amendment also included revisions to the tax increment revenue forecast, as well as a new schedule of existing debt service obligation resulting from refinancing said debt.

**Amendment VII** (Minor) Newport Urban Renewal Agency Nov. 1, 2010

Amendment VII identified the acquisition of a natural coastal gully and foredune area adjacent to South Beach State Park as a specific Neighborhood Park/Open Space Site acquisition project. The property is roughly 2.5 acre in size and includes portions of Blocks 7, 8, 10, 11 and 15 of the Waggoner's Addition to South Beach subdivision.

**Amendment VIII** (Minor) Newport Urban Renewal Agency Oct. 17, 2011

Shifted \$200,000 in funding for tsunami evacuation route improvements from Phase 2 to Phase 1 and identifies Safe Haven Hill as a specific project. To avoid impacting revenue estimates for each Phase, \$200,000 of funds programmed for right-of-way acquisition was shifted from Phase 1 to Phase 2.

**Amendment IX** (Minor) Newport Urban Renewal Agency Sept. 17, 2012

Incorporated Coho/Brant Infrastructure Refinement Plan Tier 1 and Tier 2 priority projects into Phases 2 and 3. Updated descriptions and cost estimates for intersection improvements at US 101 and 32<sup>nd</sup> Street, US 101 and 35<sup>th</sup> Street, US 101 and 40<sup>th</sup> Street, and US 101 and 50<sup>th</sup> Street, along with shared use path/sidewalk improvements to Ferry Slip Road to align with adopted amendments to the Newport Transportation System Plan. Shifted a portion of planned sidewalk work for SW Abalone from Phase 3 to Phase 2.

**Amendment X** (Minor) Newport Urban Renewal Agency Sept. 4, 2013

Moved \$850,000 for the extension of SW Abalone Street from SW 29<sup>th</sup> to SW Anchor Way from Phase 3 to Phase 2 to fund access improvements for OMSI's new Coastal Discovery Center. Shifted \$390,000 from Phase 1 to Phase 2 as match to State funding for 35<sup>th</sup> Street – 101 to Ferry Slip Road commercial street and signal project, and added \$125,000 to Phase 2 for right-of-way acquisition. Eliminated funding for multi-use path along west side of SW Abalone between the Bridge and 29<sup>th</sup> Street because project has been funded with other resources. Moved \$1,000,000 programmed for the extension of sewer service to the airport from Phase 2 to Phase 3. Reduced the projected annual revenue growth rate from 7.1% to 3.0% for Phases 2 and 3 and updated corresponding revenue projections.



Adjusted the budgets of Phase 2 projects to provide funding for the Agency to purchase a 2.33-acre parcel at the NE corner of US 101 and 35<sup>th</sup> Street (Portion of Lot 2, Block J, Harborton Subdivision). Phase 2 funding for strategic site acquisition for reuse; site preparation for reuse; and acquisition for economic development, community facilities, and affordable housing were consolidated under the heading of “strategic site acquisition for reuse” and the budget was increased from \$500,000 to \$1,540,000 for the purpose of purchasing the above referenced property. To offset this increase, \$100,000 in funding for a wetland mitigation bank, \$150,000 earmarked as match for street paving LIDs in the Coho/Brant neighborhood, and \$110,000 in funding for the SW 26th Street Lift Station was eliminated. Funding for right-of-way acquisition was reduced from \$375,000 to \$265,000 and funds for park, open space, and trail acquisition were reduced from \$200,000 to \$50,000. In sum, the reductions listed, in conjunction with \$420,000 in unexpended funds from Phase 1 off-set the increase in funding for site acquisition.

## II. URBAN RENEWAL REPORT MINOR AMENDMENT XII

This minor amendment reallocates \$405,000 in excess funds from the soon to be completed SW Abalone, SW Brant, SW 30th and SW 27th street projects, with \$25,000 going to the retrofit of the Safe Haven Hill tsunami assembly area and \$380,000 to the 35th and US 101 – Ferry Slip Road project.

The budget for the Safe Haven Hill retrofit increased to almost \$885,000 as a result of design changes to sidewalk and retaining wall improvements within the US 101 highway right-of-way. The plan revisions were required by the Oregon Department of Transportation (ODOT) late in the design process. Most of the funding for this project has come from a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant, and an additional \$191,910 has been secured from FEMA to help cover the additional expenses. Agency allocated \$200,000 for this project in Phase 1 and the additional \$25,000 of funds are needed to ensure that the twenty-five (25) percent local government cash match requirement associated with this FEMA grant is met so that all of the additional FEMA funds can be leveraged.

With the City shifting \$187,643 of funds out of its Street System Development Charge contingency to the SW Abalone Street project, Agency is able to repurpose an equivalent amount of urban renewal funds from the SW Abalone Street project to the 35th and US 101 – Ferry Slip Road project. When taken into consideration with other excess funds from the now substantially complete SW Abalone, SW Brant, SW 30th and SW 27th street projects, Agency can increase its total contribution to the 35th and US 101 – Ferry Slip Road project by \$380,000.

Increased funding for the 35th and US 101 – Ferry Slip Road project is needed to ensure there are sufficient financial resources available to complete the work. The City of Newport, on behalf of the Agency, is close to completing planned improvements to Ferry Slip Road. This is only a portion of the project. The balance of the work will be completed by the Oregon Department of Transportation (ODOT), and includes the construction of 35th Street between Abalone and Ferry Slip Road, relocation of the traffic signal from 32nd to 35th street, sidewalk along US 101 from the bridge to 35th Street, and the closure of the Ferry Slip Road/US

101 intersection. ODOT is in the early stages of designing the improvements and there are a number of unknowns that could impact the budget. Allocating an additional \$380,000 provides reserves that can be drawn upon in the event there are unanticipated costs that come to light as the project moves forward.

### III. RELATIONSHIP BETWEEN THE PROJECTS TO BE UNDERTAKEN WITH THE AMENDMENT AND THE EXISTING CONDITIONS IN THE AREA

The physical and economic conditions described in the original Environmental Assessment and the Supplemental Report have improved within the past twenty-five (25) years. However, many areas remain deficient relative to vehicular and pedestrian circulation, utility services, storm water management, and public recreation and open space.

The amendments address these deficiencies by providing for adequate funding for needed public safety and transportation improvements. The Safe Haven Hill tsunami assembly area retrofit will ensure that local residents and employees of South Beach businesses have a refuge that they access in a short amount of time in the event of a near shore Cascadia earthquake and associated tsunami. The refuge is also a critical piece of infrastructure that will allow additional development to occur that would otherwise not happen out of concerns that much of South Beach is within a tsunami inundation area.

Construction of the 35<sup>th</sup> Street and US 101 intersection; relocation of the US 101 traffic signal from 32<sup>nd</sup> Street to 35<sup>th</sup> Street; construction of 35<sup>th</sup> Street from Abalone to Ferry Slip; widening of Ferry Slip Road with a new multi-use path; and the installation of sidewalk along the west and east sides of US 101 will improve traffic flow and mobility. This project, jointly funded with ODOT, will also complete the street and bike/pedestrian network in this portion of South Beach creating opportunities for properties in the area to develop or redevelop in a manner that enhances the overall tax base.

**A. PROJECT PHASES**

The projects proposed to implement the South Beach Urban Renewal Plan were organized into three phases consistent with Substantial Amendment 5. Minor Amendments 6, 7, 8, 9, 10, and 11 refined the listed projects and made adjustments to the timing of the work. Minor Amendment XII makes further refinements and adjustments, as follows:

**1. Phase 1 – 2009/12**

Phase 1 funding for tsunami evacuation route improvements for Safe Haven Hill is increased from \$200,000 to \$225,000. The estimate for the total cost of the project is increased to \$885,000.

**2. Phase 2 – 2013/16**

Funding for the 35<sup>th</sup> Street – 101 to Ferry Slip Road project is increased by \$380,000, bringing the total urban renewal contribution to \$1,770,000. The estimate for the total cost of the project is increased to \$3,617,000.

**3. Phase 3 – 2017/20**

No changes are being made to Phase 3 projects.

## B. PROJECTS AND COST ESTIMATES

### 1. Phase 1 – 2009/12

PUBLIC RIGHTS OF WAY	Cost Estimate	URA Portion
Streets		
<del>Ash St. Design &amp; Construct</del>	\$425,000*	\$425,000*
<del>Coho/Brant Area – Plan and Design</del>	\$70,000*	\$70,000*
<del>Coho/Brant Area – Construct</del>	\$850,000	\$550,000
<del>Marine Science Drive</del>	\$2,304,000	\$1,138,000
<del>Realign Regue and 25th</del>	\$448,000	\$448,000
<del>Pacific Way Improvements</del>	\$251,000	\$251,000
Sidewalks		
<del>OSU Dr. to Marine Sc. Dr.</del>	\$70,000	\$0
<del>OSU Dr. (Abalone to Ferry Slip)</del>	\$67,500	\$67,500
Acquisition		
TSP Projects - right of way	\$300,000	\$150,000
UTILITIES		
Water		
<del>Hwy 101 – 40<sup>th</sup> to 50<sup>th</sup></del>	\$320,000*	\$320,000*
<del>Sanitary Sewer line same ROW</del>	\$600,000	\$477,000
PUBLIC AMENITIES		
Neighborhood Park/Open Space Site	\$275,000	\$125,000
Acquisition (OPRD Grant \$150,000)		
<del>Purchase of 2.5 acre coastal gully</del>	\$225,000	\$225,000
<del>&amp; foredune site adjacent to South</del>		
<del>Beach State Park</del>		
ACQUISITION/DEVELOPMENT	\$0	\$0
COMMUNITY IMPROVEMENT PROGRAMS	\$0	\$0
SPECIAL PROJECT IDEAS		
Wetland Planning/Mitigation Bank	\$200,000	\$200,000
Trails – easement acquisitions	\$100,000	\$100,000
<del>South Jetty Trail</del>	\$317,000	\$317,000
<b>Tsunami Evacuation Route</b>	<b>\$557,000</b>	<b>\$200,000</b>
<b>Improvements for Safe Haven Hill</b>	<b>\$885,000</b>	<b>\$225,000</b>
Total:	\$7,028,500	<b>\$4,273,500</b>
Revenue Estimate (7.1% growth)		\$4,774,000

\* These projects were budgeted at the time of Substantial Amendment No. 5 and have never been included in the revenue estimates.

Note: Project shown in ~~double-strikeout~~ have been completed. Urban renewal funds for projects depicted in *italics* have been budgeted for expenditure. Project descriptions and figures in **bold** are revisions with this amendment.

## 2. Phase 2 – 2013/16

PUBLIC RIGHTS OF WAY	Cost Estimate		UR Portion
<u>Streets</u>			
<b>35th Street – 101 to Ferry Slip Road</b>	<b>\$2,167,000</b>	<b>\$3,617,000</b>	<b>\$1,390,000</b>
<b>Commercial Street Prototype, relocate 32nd Street Signal, widen Ferry Slip (Coho/Brant Projects #10 and #11)</b>			<b>\$1,770,000</b>
Anchor Way 35th to 40th		\$0	\$0
<u>Sidewalks</u>			
<del>Ferry Slip Rd – 29th to Marine Science Dr. (Shared use path and Sidewalk, SB Peninsula Refinement Plan)</del>	\$104,000		\$104,000
<del>SW Abalone – Marine Science Dr. to Abalone extension (Coho/Brant Project #13A)</del>	\$325,000		\$0
<u>Acquisition/Development</u>			
TSP Projects - right of way	\$450,000		\$265,000
<u>Existing Street/ROW improvements including: paving, storm water, pedestrian/bicycle paths and landscaping:</u>			
<del>SW Abalone St – SW 29th to Anchor Way (Coho/Brant Project #8 (Moved from Phase 3))</del>	\$1,773,000	<b>\$850,000</b>	<b>\$650,000</b>
<del>SW 27th – SW Brant to SW Abalone (Coho/Brant Project #2A)</del>	\$145,000	<b>\$145,000</b>	<b>\$122,000</b>
<del>SW 30th – SW Brant to SW Abalone (Coho/Brant Project #5)</del>	\$311,000	<b>\$150,000</b>	<b>\$125,000</b>
<del>SW Brant – SW 27th to SW 30th (Coho Brant Project #7)</del>	\$707,000	<b>\$707,000</b>	<b>\$550,000</b>
SE Ferry Slip Rd – 32nd to Ash	\$144,000		\$144,000
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements	\$150,000		\$0
<del>SW Abalone &amp; SW 35th St. Stormwater Improvements (Coho/Brant Project #18)</del>	\$84,000		\$42,000
<del>SW 26th St. and SW Brant St. Stormwater Improvements (Coho/Brant Project #17)</del>	\$84,000		\$84,000
<u>UTILITIES</u>			
<u>Sewer</u>			
SW 26th Street Sanitary Lift Station Upgrade (Coho/Brant Project #16)	\$110,000		\$0
<u>Utility Lines</u>			
Bury existing/new lines underground	\$300,000		\$300,000
<u>PUBLIC AMENITIES</u>			
Neighborhood Park Development	\$350,000		\$0
Neighborhood Park/Open Space/Trail Acquisition or Development:	\$200,000		\$50,000
Funding for contribution toward SE Chestnut Street trail project			
<u>ACQUISITION/DEVELOPMENT</u>			
<del>Strategic Site Acquisition for Re-Use:</del>	\$250,000		\$1,540,000
<del>Purchase of parcel at NE Corner of US 101 and 35<sup>th</sup> Street</del>			(Note: figure includes
<del>Portion of Lot 2, Block J, Harborton</del>			\$420,000 unexpended
			Phase 1 funds)
Site Prep for Re-Use	\$100,000		\$0
Strategic Site Acquisition for Economic Development, Community Facilities, and Affordable Housing	\$500,000		\$0
<u>SPECIAL PROJECT IDEAS</u>			
Wetland Mitigation Bank	\$100,000		\$0
	Total:	\$8,354,000	<b>\$5,746,000</b>
Unexpended Phase 1 funds shifted to Phase 2 with Minor Amendment XI:			-\$420,000
			<b>\$5,326,000</b>
Revenue Estimate (3.0% growth)			\$5,370,000

Note: Projects shown in ~~double-strikeout~~ have been completed. Urban renewal funds for projects depicted in *italics* have been budgeted for expenditure. Project descriptions and figures in **bold** are revisions with this amendment.

### 3. Phase 3 – 2017/20

PUBLIC RIGHTS OF WAY	Cost Estimate	UR Portion
Streets		
40 <sup>th</sup> and 101 Signal and Intersection Improvements (Moved from Phase II)	\$2,624,000	\$1,000,000
50 <sup>th</sup> and 101 Intersection Improvements	\$1,970,000	\$400,000
Sidewalks		
Abalone St. – Abalone extension to US 101 (Coho/Brant Project #13B)	\$165,000	\$0
35 <sup>th</sup> St. – Ferry Slip to estuary turn)	\$400,000	\$400,000
Acquisition/Development	\$250,000	\$0
Existing Street/ROW improvements including: paving, storm water, pedestrian/bicycle paths and landscaping		
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements	\$200,000	\$200,000
UTILITIES		
Water		
12" Bay Under-crossing Pipeline	\$995,000	\$795,000
King Ridge Reservoir (15% of Cost)	\$196,200	\$0
Sewer		
101 Gravity line south to Airport (Moved from Phase 2)	\$1,000,000	\$1,000,000
Henderson Creek Piping	\$280,000	\$280,000
Henderson Creek Lift Station	\$323,000	\$323,200
Storm		
Project 5a – Redirect Drainage	\$1,480,000	\$1,480,000
Utility Lines		
Bury existing/new lines underground	\$200,000	\$200,000
PUBLIC AMENITIES		
Street Tree and Open Space Planting	\$100,000	\$100,000
Street Furniture	\$50,000	\$50,000
Gateway to South Beach	\$700,000	\$100,000
Neighborhood Park/Open Space Acquisition	\$200,000	\$200,000
COMMUNITY IMPROVEMENT PROGRAMS		
Fund Storefront Facade Loan/Grant Program	\$100,000	\$100,000
SPECIAL PROJECT IDEAS		
Trails – Acquire and Develop	\$100,000	\$100,000
Coastal Gully Open Space Improvements	\$200,000	\$200,000
(Coho/Brant Project #19)		
SW Coho St, SW 29 <sup>th</sup> St to Jetty Way	\$100,000	\$100,000
(Coho/Brant Project #12)		
Tsunami Evacuation Route Improvements	\$200,000	\$200,000
Wetland Mitigation Bank	\$100,000	\$100,000
Total:	\$12,706,200	\$7,328,200
Revenue Estimate (3.0% growth)		\$7,360,000
Grand Total for Phases 1 through 3 Projects		\$16,927,700



### **C. ESTIMATED COMPLETION DATE**

The projects planned to be accomplished within the next ten years are expected to be awarded no later than December 31, 2020 and completed in a timely manner. The projects are divided in to three phases. The agency may adjust the design and construction of specific projects depending on the needs of the community and the urban renewal district as a whole.

- Phase 1 2009-2012
- Phase 2 2013-2016
- Phase 3 2017-2020

The three phases will enable the agency to plan and implement the financial plan in Section V.

## V. FINANCIAL ANALYSIS OF THE AMENDMENT

### A. ANTICIPATED TAX INCREMENT FUNDS

As stated in Oregon Revised Statutes Chapter 457 (ORS 457), tax increment funds are anticipated from growth in assessed value within the Area over the course of the Plan. Growth in assessed value is projected to occur through appreciation in property values (“appreciation percentage”), limited to no more than three percent annually, and through changes in property that add value that are “excepted” from the three percent limit. Such “exception value” results from factors such as subdivision or rezoning of land and from construction of improvements.

Table V-1 shows projections of growth in tax increment funds (i.e. expected tax increment revenue). The projections are based on reasonable expectations of near-term future development and utilize conservative assumptions about residential and commercial development that is likely to occur in the South Beach Urban Renewal District. Projections in Substantial Amendment 5 assumed average annual growth of 7.1%, with a temporary 75% reduction due to the slowdown in residential development. With the 10<sup>th</sup> Minor Amendment, a 3.0% average growth rate is assumed through 2027 with actual figures being used through fiscal year 2012-2013. The projections also assume a tax collection rate of 94.2%.

**Table V-1:**  
**Urban Renewal Area Tax Increment Revenue Estimates**

Year	SB-URD Annual Revenue	SB-URD Cumulative Revenue
2009-10	\$1,782,653	\$1,782,653
2010-11	\$1,848,185	\$3,630,838
2011-12	\$1,808,906	\$5,439,744
2012-13	\$1,891,500	\$7,331,244
2013-14	\$1,948,245	\$9,279,489
2014-15	\$2,006,692	\$11,286,181
2015-16	\$2,066,893	\$13,353,074
2016-17	\$2,128,900	\$15,481,974
2017-18	\$2,192,767	\$17,674,741
2018-19	\$2,258,550	\$19,933,291
2019-20	\$2,326,307	\$22,259,598
2020-21	\$2,396,096	\$24,655,694
2021-22	\$2,467,979	\$27,123,673
2022-23	\$2,542,018	\$29,665,691
2023-24	\$2,618,279	\$32,283,970
2024-25	\$2,696,827	\$34,980,797
2025-26	\$2,777,732	\$37,758,529
2026-27	\$2,861,064	\$40,619,593

SOURCE: Lincoln County Assessor's Office and City of Newport

Unlike many urban renewal districts in Oregon, the SB-URD geographically spans six distinct property tax codes rather than one. For instance, the vast majority of assessed value in the District is within City of Newport jurisdiction (85%), but that portion only represents two of the six tax codes and combinations of local public service providers. Therefore, there are six different Measure 50 SB-URD tax code rates and six different projected assessed values. The tax increment projections are based on the combined value of the property tax codes and applicable tax rates for each affected taxing jurisdiction.

**B. ESTIMATED AMOUNT OF MONEY REQUIRED UNDER ORS 457**

The total expected tax increment revenue that is not committed to previous incurred debt, through 2027, is \$26,721,011. This revenue will be used to repay indebtedness incurred to finance Phase 2 and Phase 3 projects in this Plan Amendment. Table V-2 below shows the expected increment revenue and debt service schedule. Since Phase 1 is complete its debt service has been added to the existing debt service column. That is, columns “B” and “D” from the prior version of this table have been merged. Fiscal years 2014-15 and 2019-20, when the District is scheduled to incur debt for Phase 2 and Phase 3 projects, are highlighted.

### Table V-2:

	(A) URA Incremental Revenue 3%	(B & D) Total Existing Debt Service	(E) Remaining Uncommitted Revenue	(F) Phase II Debt Service	(G) Remaining Uncommitted Revenue	(H) Phase III Debt Service	(I) Remaining Uncommitted Revenue
2010-11	\$1,848,185	\$1,314,972	(\$480,394)		(\$480,394)		(\$480,394)
2011-12	\$1,808,906	\$1,339,603	(\$108,106)		(\$108,106)		(\$108,106)
2012-13	\$1,891,500	\$1,332,148	\$296,039		\$296,039		\$296,039
2013-14	\$1,948,245	\$1,376,405	\$921,331		\$921,331		\$921,331
<b>2014-15</b>	<b>\$2,006,692</b>	<b>\$1,215,078</b>	<b>\$1,588,657</b>	<b>\$729,700</b>	<b>\$321,892</b>		<b>\$321,892</b>
2015-16	\$2,066,893	\$1,221,148	\$2,262,910	\$729,700	\$1,049,851		\$1,049,851
2016-17	\$2,128,900	\$1,270,243	\$2,909,491	\$729,700	\$1,750,139		\$1,750,139
2017-18	\$2,192,767	\$1,243,638	\$3,559,315	\$729,700	\$2,453,669		\$2,453,669
2018-19	\$2,258,550	\$1,097,800	\$4,923,319	\$729,700	\$3,871,380		\$3,871,380
<b>2019-20</b>	<b>\$2,326,307</b>	<b>\$763,550</b>	<b>\$6,569,626</b>	<b>\$729,700</b>	<b>\$5,571,393</b>	<b>\$1,249,993</b>	<b>\$3,585,391</b>
2020-21	\$2,396,096	\$545,075	\$8,217,073	\$729,700	\$7,272,547	\$1,249,993	\$5,360,146
2021-22	\$2,467,979	\$609,675	\$9,972,659	\$729,700	\$9,081,839	\$1,249,993	\$7,243,039
2022-23	\$2,542,018	\$569,250	\$12,367,240	\$729,700	\$11,530,127	\$1,249,993	\$9,764,928
2023-24	\$2,618,279		\$14,833,659	\$729,700	\$14,103,959	\$1,249,993	\$12,412,361
2024-25	\$2,696,827		\$17,374,070		\$17,374,070	\$1,249,993	\$15,756,073
2025-26	\$2,777,732		\$19,990,694		\$19,990,694	\$1,249,993	\$18,446,297
2026-27	\$2,861,064		\$22,685,816		\$22,685,816	\$1,249,993	\$21,215,021
Term of Loan (Years)				10			
Total Amount Borrowed				\$5,370,656		\$7,360,087	

Individual columns of financial projections in Table V-2 are labeled and described as follows:

- (A) Annual Tax increment estimated to be collected by South Beach URA. Years 2010-11 and 2011-12 are actual tax increment received; Year 2012-13 is budgeted tax increment; Balance of years are increased at the conservative rate of 3% per year.
- (B & D) Current Existing Debt Service, including Phase I Debt Service \*
- (E) Revenue remaining after existing debt service obligation and reserve is met. \*\*
- (F) New annual debt service to adequately fund projects identified in Phase II of South Beach URA Plan document, schedule to begin in FY 2014-15
- (G) Revenue remaining after existing debt service obligation and reserve is met, Phase II debt service obligation and reserve requirements are met
- (H) New annual debt service to adequately fund projects identified in Phase III of South Beach URA Plan document, schedule to begin in FY 2019-20
- (I) Revenue remaining after existing debt service obligation and reserve is met, Phase II and Phase III debt service obligation and reserve requirements are met
- \* Phase I borrowing original plan to borrow \$4,773,611, the SB URA actually only borrowed \$2.1 Million and refunded existing debt to a lower rate a savings of \$558,561 over the life of the debt. Also the SB Construction Fund had a beginning Fund balance FY 2010-11 of \$2,177,128, this is prior to the \$2.1 Mil borrowing
- \*\* SB URA Debt Fund beginning Fund Balance for FY 2010-11 was \$743,331, as well as the loan reserves amount, there was never a negative fund balance.

Based on projections in Table V-2, revenues are expected to be sufficient to enable retirement of planned debt as early as FY 2023-24. To the extent that additional debt is taken on by the District in later years for circumstances currently unseen, substantial unobligated revenues expressed in Column (I) of Table V-2 would be reduced accordingly and retirement of all debt would be delayed to no later than FY 2026-27.

### C. ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table V-2 shows the anticipated schedule debt payment for existing debt and the Plan Amendment. All debts are scheduled to be retired by year 2027, though anticipated incremental revenues would be sufficient to retire all planned debt as early as fiscal year 2023-2024.

### D. PROJECTED REVENUES AND EXPENDITURES

Table V-2 shows the annual anticipated revenues and expenditures for the Plan Amendment. The revenues result from tax increment revenue that is not already committed to financing existing debt. The total debt service for existing debt is \$13,898,582. Expenditures are based on potential debt schedules to finance the projects described in Phases 2 and 3 of Section IV of this Plan Amendment. The total project costs and the Plan's share of those costs are also shown in Section V. For conservative revenue estimates, in addition to incremental tax revenues the District is assumed to realize 3% annual return on uncommitted revenues carried forward to the subsequent fiscal year.

### E. STATEMENT OF FISCAL IMPACT ON OTHER JURISDICTIONS UNDER ORS 457.420-457.440

The use of tax increment financing creates a fiscal impact on the taxing districts (e.g. the City, the County, the Community College) that levy taxes within the Area. This impact consists of those districts foregoing the taxes that would have been levied on the increase in assessed value within the Area while tax increment financing is in effect.

In order to project these impacts, it is necessary to estimate the growth in assessed value that would have occurred without the Plan. The Plan's projects are anticipated to create assessed value growth that would not occur but for the Plan. Therefore the taxes that are foregone are those resulting from projected development without the public improvements developed under the Plan. It should be noted that revenue estimates in Tables V-1 and V-2 are lower than projections in Table V-3 due to realized property tax collection loss at approximately 6%.

Table V-3 shows the revenues foregone by the affected taxing districts, through 2027. The revenues foregone by the taxing districts equal their permanent tax rates times the projected incremental assessed value, plus the tax rates associated with general obligation bonds approved by voters before October 2001 times the bonding district's incremental assessed value. Note that the property tax revenues foregone by the Lincoln County School District do not result in revenue

losses to the School District because of the system of state funding of K-12 education. The impacts are shown to illustrate what they would be if the school funding system is materially changed and property tax revenues become directly relevant. With Minor Amendment X, Table V-3 was amended to reflect a more conservative 3.0% annual increase in increment revenue.

The tax increment revenues terminate after 2027, and the additional revenues that are available to these taxing districts are projected to repay the districts for revenues foregone during the Plan.



**Table V-3:  
Projected Property Tax Revenues Foregone**

Fiscal Year	Taxing Districts																	Total Tax Revenue
	City of Newport		Lincoln County School		Lincoln County		Newport RFPD	Pacific Community Hospital	Lincoln Cnty Library	Oregon Coast Community College	Lincoln Cnty Transportation	Lincoln Cnty Extension	Linn- Benton- Lincoln ESD	Port of Newport	Water - Seal Rock			
	Permanent Rate	GO Bond	GO Bond	Permanent Rate	GO Bond	Permanent Rate	GO Bond	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permane nt Rate			
	5.5938	0.4348	0.9240	4.9092	0.7894	2.8202	0.0377	0.9108	0.3625	0.2465	0.1757	0.0974	0.0451	0.3049	0.0609	0.0126		
2009-10	\$557,970	\$43,318	\$92,163	\$548,701	\$88,241	\$315,173	\$4,278	\$10,874	\$40,466	\$3,031	\$19,609	\$10,874	\$4,991	\$34,049	\$6,774	\$2,139	\$1,782,653	
2010-11	\$579,776	\$45,096	\$95,736	\$570,165	\$91,670	\$327,498	\$0	\$11,459	\$42,139	\$3,142	\$20,330	\$11,274	\$5,175	\$35,485	\$7,023	\$2,218	\$1,848,185	
2011-12	\$567,454	\$44,137	\$93,701	\$558,048	\$89,722	\$320,538	\$0	\$11,215	\$41,243	\$3,075	\$19,898	\$11,034	\$5,065	\$34,731	\$6,874	\$2,171	\$1,808,906	
2012-13	\$640,651	\$0	\$105,735	\$629,491	\$0	\$361,655	\$0	\$13,619	\$46,531	\$3,594	\$22,509	\$12,484	\$5,864	\$39,154	\$7,755	\$2,459	\$1,891,500	
2013-14	\$659,871	\$0	\$108,907	\$648,376	\$0	\$372,504	\$0	\$14,027	\$47,927	\$3,702	\$23,184	\$12,858	\$6,040	\$40,329	\$7,988	\$2,533	\$1,948,245	
2014-15	\$679,667	\$0	\$112,174	\$667,827	\$0	\$383,680	\$0	\$14,448	\$49,365	\$3,813	\$23,880	\$13,244	\$6,221	\$41,539	\$8,227	\$2,609	\$2,006,692	
2015-16	\$700,057	\$0	\$115,539	\$687,862	\$0	\$395,190	\$0	\$14,882	\$50,846	\$3,927	\$24,596	\$13,641	\$6,407	\$42,785	\$8,474	\$2,687	\$2,066,893	
2016-17	\$721,058	\$0	\$119,006	\$708,498	\$0	\$407,046	\$0	\$15,328	\$52,371	\$4,045	\$25,334	\$14,051	\$6,600	\$44,068	\$8,728	\$2,768	\$2,128,900	
2017-18	\$742,690	\$0	\$122,576	\$729,753	\$0	\$419,257	\$0	\$15,788	\$53,942	\$4,166	\$26,094	\$14,472	\$6,798	\$45,390	\$8,990	\$2,851	\$2,192,767	
2018-19	\$764,971	\$0	\$126,253	\$751,645	\$0	\$431,835	\$0	\$16,262	\$55,560	\$4,291	\$26,877	\$14,906	\$7,002	\$46,752	\$9,260	\$2,936	\$2,258,550	
2019-20	\$834,446	\$0	\$0	\$819,093	\$0	\$470,612	\$0	\$18,843	\$60,484	\$5,118	\$29,311	\$16,284	\$7,444	\$50,946	\$10,236	\$3,489	\$2,326,307	
2020-21	\$859,480	\$0	\$0	\$843,665	\$0	\$484,730	\$0	\$19,408	\$62,298	\$5,271	\$30,191	\$16,773	\$7,668	\$52,475	\$10,543	\$3,594	\$2,396,096	
2021-22	\$885,264	\$0	\$0	\$868,975	\$0	\$499,272	\$0	\$19,991	\$64,167	\$5,430	\$31,097	\$17,276	\$7,898	\$54,049	\$10,859	\$3,702	\$2,467,979	
2022-23	\$911,822	\$0	\$0	\$895,045	\$0	\$514,250	\$0	\$20,590	\$66,092	\$5,592	\$32,029	\$17,794	\$8,134	\$55,670	\$11,185	\$3,813	\$2,542,018	
2023-24	\$939,177	\$0	\$0	\$921,896	\$0	\$529,678	\$0	\$21,208	\$68,075	\$5,760	\$32,990	\$18,328	\$8,378	\$57,340	\$11,520	\$3,927	\$2,618,279	
2024-25	\$967,352	\$0	\$0	\$949,553	\$0	\$545,568	\$0	\$21,844	\$70,118	\$5,933	\$33,980	\$18,878	\$8,630	\$59,061	\$11,866	\$4,045	\$2,696,827	
2025-26	\$996,372	\$0	\$0	\$978,039	\$0	\$561,935	\$0	\$22,500	\$72,221	\$6,111	\$34,999	\$19,444	\$8,889	\$60,832	\$12,222	\$4,167	\$2,777,732	
2026-27	\$1,026,264	\$0	\$0	\$1,007,381	\$0	\$578,793	\$0	\$23,175	\$74,388	\$6,294	\$36,049	\$20,027	\$9,155	\$62,657	\$12,589	\$4,292	\$2,861,064	

## F. IMPACTS ON TAXPAYERS

This amendment to the phasing and financing of projects in Substantial Amendment 5, and subsequent amendments will not change the SB-URD's impact on taxpayers. General obligation bonds approved by voters before October 2001 are subject to the division of tax. There are five such general obligation bonds in the SB-URD. They are all scheduled to retire by 2019, prior to the previously scheduled sunset of the SB-URD. These bonds will continue to be subject to the division of tax, regardless of any extension to the SB-URD plan.

Any general obligation bonds approved after October 2001 are not subject to the division of tax.

**NOAA MARINE OPERATIONS CENTER TAX REVENUE IMPACTS**

## NOAA MARINE OPERATIONS CENTER TAX REVENUE IMPACTS

The National Oceanic and Atmospheric Administration (NOAA) recently reconfirmed its decision to award the Port of Newport, Oregon its long-term lease decision for its Pacific Marine Operations Center (MOC). In response to this decision, the potential property tax revenue implications of this decision to Newport's South Beach Urban Renewal Area were evaluated.

### METHODOLOGY & LIMITATIONS

This analysis quantifies the tax revenue impacts for specific jurisdictions resulting from economic activity generated by NOAA's decision to relocate its Pacific MOC to Newport. At this time, little information is available regarding anticipated spending by the facility for on-going operations, repairs, etc. As such, we relied on secondary sources where possible, using our best estimate of historical operations activity in the Seattle area, the former home of the Pacific MOC.

Finally, in light of present uncertainty, where specific measures were not available, we established defensibly conservative estimates designed to err on a lower level estimate.

### FINDINGS

#### ESTIMATING PRIVATE MOC SPENDING LOCALLY

It was assumed that NOAA's Pacific MOC will spend roughly \$80 million annually on various operations, repair/maintenance activity, and various federal contracts related to these activities annually. This assumption was based on a July 2009 editorial in the Seattle Times co-authored by representatives from the Port of Seattle, Seattle City Council, the University of Washington, and a major NOAA MOC contractor in Seattle.<sup>1</sup> The editorial declared annual direct and indirect economic activity related to NOAA's MOC at roughly \$180 million annually. This figure was evaluated in light of other available information about other NOAA investments in the Seattle area to arrive at a more conservative estimate of \$80 million in direct activity, specifically in Newport.

**TABLE 1: BASELINE CONTRACT SPENDING**

BASELINE MOC SPENDING ASSUMPTIONS	
Total Estimated Direct Spending 1/:	\$80,000,000
Private Share 2/:	33%
Spending to Private Firms:	\$26,400,000
Newport's Capture of Private Spending 2/:	50%
Spending to Private Firms in Newport:	\$13,200,000

1/ Based on editorial in the Seattle Times, July 2009. Contributors included Jean Godden, Seattle City Council; Bill Bryant, Port of Seattle Commissioner, Steve Welch, CEO of Pacific Shipyards; and Mark Emmert, President of the University of Washington.

2/ Conservative assumptions made by Johnson Reid, LLC

<sup>1</sup> "NOAA Should Keep its Marine Operations on Lake Union." *The Seattle Times* July 30, 2009. Editorial Contributors included Jean Godden, Seattle City Council; Bill Bryant, Port of Seattle Commissioner, Steve Welch, CEO of Pacific Shipyards; and Mark Emmert, President of the University of Washington.

To estimate the **private development** impacts of this spending, we assumed that one-third of spending activity took the form of private contracts. This assumption is considered conservative based on our professional opinion.

Finally, we assumed that the Newport economy could capture half of the private contract spending of the Pacific MOC. This assumes that the remaining half of the activity would leak to other communities such as Portland, Astoria, or remain in Seattle. This process results in an approximation of \$13.2 million in annual contract spending estimated to be captured in the Newport economy.

## TRANSLATING CONTRACT SPENDING INTO JOBS

Estimates of direct and secondary (indirect/induced) job impacts were developed by utilizing impact multipliers from IMPLAN<sup>2</sup> (IMpacts for PLANing) economic impact analysis model. Developed by the Forest Service to assist in land and resource management planning, IMPLAN is an economic impact model designed for analyzing the effects of industry activity upon all other industries in an economic area.

Utilizing this methodology, we estimate a total of 100 private, permanent jobs resulting from NOAA spending in Newport, at least 63 of which would be direct employment due to federal contract awards for the local private sector.

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<sup>2</sup> Minnesota IMPLAN Group (MIG), Inc., Stillwater, Minnesota

**TABLE 2: JOB IMPACTS OF CONTRACT SPENDING**

<b>Contract Spending, Jobs, and Multipliers</b>		
Direct Private Contract Spending 1/:	\$13,200,000	<b>Multiplier</b>
Direct Jobs 2/:	63.4	4.8 jobs/\$1 million
Indirect & Induced 2/:	37.0	2.8 jobs/\$1 million
<b>Contract. Jobs:</b>	<b>100.3</b>	
<b>Jobs By Industry Type</b>		
<b><u>Direct:</u></b>		<b>Jobs</b>
NOAA Contractors (Ship repair, research, etc.)		63.4
<b><u>Indirect/Induced 2/:</u></b>		
Food services and drinking places:		4.0
Real estate establishments:		2.6
Wholesale trade businesses:		2.6
Employment services:		1.3
Accounting, tax preparation, bookkeeping, and payroll services		1.3
Offices of physicians, dentists, and other health practitioners:		1.3
Private hospitals:		1.3
Civic, social, professional, and similar organizations:		1.3
Retail Stores - Food and beverage:		1.3
Other Retail/Commercial Services:		19.8

1/ From Table 1

2/ Jobs Multipliers generated by IMPLAN.

### Calculating the Share of Jobs Captured by South Beach

The industries identified in Table 2 into general land use types are based on the typical space utilization of each industry. This translates into roughly 66 industrial jobs, 25 commercial jobs, and 9 office jobs. Secondly, we apply a 20% capture factor for the South Beach district which translates into an estimate of approximately 20 jobs supported in the district.

**TABLE 3: SOUTH BEACH CAPTURE OF JOB IMPACTS BY LAND USE TYPE**

<b>Space Type</b>	<b>Total Newport Jobs Impacts 1/</b>	<b>South Beach Jobs Impacts 2/</b>
Industrial	66.0	13.2
Commercial	25.1	5.0
<u>Office</u>	<u>9.2</u>	<u>1.8</u>
<b>TOTAL:</b>	<b>100.3</b>	<b>20.1</b>

1/ From Table 2

2/ Assumes a conservative 20% capture rate for South Beach, Johnson Reid, LLC



## CONVERSION OF JOBS TO DEVELOPED SPACE

We then multiplied the number of estimated jobs captured in the South Beach District by a typical square footage per job by land use type. These assumptions are based on the U.S. Department of Energy's Commercial Building Energy Consumption Survey. This process yields an estimate of roughly 25,200 private, developed square feet supported by NOAA contract spending in South Beach.

**TABLE 4: PRIVATE EMPLOYMENT IMPACT DEVELOPMENT IN THE SOUTH BEACH**

Space Type	South Beach Jobs Impacts 1/	Est. Sq. Ft. per Job 2/	Est. Development Impacts (Sq. Ft.)
Industrial	13.2	1,510	19,932
Commercial	5.0	883	4,429
Office	1.8	468	865
<b>TOTAL:</b>	<b>20.1</b>	<b>N/A</b>	<b>25,226</b>

1/ From Table 3

2/ Calculated as a weighted average across industries based on Newport's existing distribution. Derived from The U.S. Department of Energy's Commercial Building Energy Consumption Survey. (2003)

## CONVERSION OF NEW DEVELOPMENT TO MARKET VALUE & TAXABLE ASSESSED VALUE

In Table 5, the supportable space was translated into land by standard Floor Area Ratios (FAR) by land use type, yielding an estimate of 2.0 improved acres. Secondly, we apply per acre development costs by land use type to each land/space estimate to calculate replacement cost of improvements. This analysis conservatively assumes market value is equal to replacement cost.

**TABLE 5: ESTIMATED MARKET VALUE GENERATED BY NOAA'S CONTRACT SPENDING LOCALLY**

Space Type	NOAA Impact	Assumed F.A.R 2/	Improved Acres	Per Acre Improvement Cost 3/	Est. Market Replacement Value	2009-10 CPR 4/	Taxable Assessed
Industrial	19,932	0.30	1.53	\$1,511,500	\$2,305,419	1	\$2,305,419
Commercial	4,429	0.25	0.41	\$1,971,000	\$801,636	0.58	\$464,949
Office	865	0.35	0.06	\$2,361,500	\$133,961	0.58	\$77,698
<b>TOTAL:</b>	<b>25,226</b>	<b>N/A</b>	<b>2.0</b>	<b>N/A</b>	<b>\$3,241,016</b>	<b>N/A</b>	<b>2,848,065</b>

1/ From Table 4

2/ Assumes a typical, low-rise development profile with 4 parking spaces per 1,000 square feet of space.

3/ RS Means Construction Cost Estimator

4/ Changed Property Ratio: The adjustment made from new improvement market value to taxable assessed value under Measure 50.

SOURCE: Lincoln County Assessor's Office and Johnson Reid, LLC

We then applied the Lincoln County 2009-10 Changed Property Ratio (CPR) by land use type, which revealed an estimated increase in taxable assessed value of \$2.85 million. Therefore, \$13.2 million in locally captured economic activity resulting from NOAA Pacific MOC decision is expected to translate into an increase of \$2.85 million in new, taxable assessed value in the South Beach Urban Renewal District.

## **CONTRIBUTION TO SOUTH BEACH URBAN RENEWAL DISTRICT GROWTH**

The estimated \$2.85 million in new, taxable assessed value as a result of NOAA facility-induced economic growth will directly contribute to the South Beach Urban Renewal District total, taxable assessed value and by extension, annual incremental tax revenue. The increase in assessed property value is equivalent to 2.9% of existing District value in 2009.

For purposes of conservative District revenue forecasting, we assumed the new, taxable assessed value would be constructed and enter the tax rolls in equal increments over a four year period. Therefore, in fiscal years 2011-12 through 2014-15, the District is assumed to grow by \$712,000 annually due solely to NOAA facility impact growth. Detailed projections of District property tax revenue growth are found in Table V-1 of the plan amendment report.